



**NORTHWEST TERRITORIES
LEGISLATIVE ASSEMBLY**

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Speaker: The Hon. Samuel Gargan

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MEMBERS PRESENT

Mr. Allooloo, Mr. Antoine, Hon. Silas Arngna'naaq, Mr. Ballantyne, Hon. Nellie Cournoyea, Mr. Dent, Hon. Samuel Gargan, Hon. Stephen Kakfwi, Mr. Koe, Mr. Lewis, Mrs. Marie-Jewell, Ms. Mike, Hon. Don Morin, Hon. Richard Nerysoo, Hon. Kelvin Ng, Mr. Ningark, Mr. Patterson, Hon. John Pollard, Mr. Pudlat, Mr. Pudluk, Hon. John Todd, Mr. Whitford, Mr. Zoe

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Samuel Gargan):

Thank you, Mr. Allooloo. Orders of the Day. Item 2, Ministers' statements. Mr. Todd.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 25-12(7): New Diamond Discovery

HON. JOHN TODD:

Thank you, Mr. Speaker. I have two Minister's statements I would like to make today.

Mr. Speaker, in this time of fiscal concerns and increasing costs, it is not often enough that we hear success stories.

Today, I wish to inform the House of a good news story.

Recently, an announcement was made concerning a new diamond discovery in the Keewatin region, between Baker Lake and the centre of the universe, Rankin Inlet. Cumberland Resources Ltd. reported that an exceptionally promising diamond discovery on the Parker Lake property has been identified. A total of 1509 micro-diamonds and two macro-diamonds were found in a 22 kg sample.

This discovery is of great interest and importance for a number of reasons:

Firstly, the diamonds were found in a different type of rock than those in the Slave province, north of Yellowknife. Now geologists are going to have to consider looking at other rock types for diamonds.

Secondly, this diamond discovery is in an area of the NWT that has not seen much diamond exploration. It opens up a whole new area of the NWT for diamond exploration.

Thirdly, the initial discovery of these diamonds was funded under the mineral initiatives of the Canada-NWT economic development agreement.

This recent diamond discovery at Parker Lake, while still in the initial stages, will increase the mineral exploration activity in the Keewatin, providing employment and business opportunities for the residents of the area. Perhaps in the future, it could lead to a diamond mine. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER:

Thank you. Item 2, Ministers' statements. Mr. Todd.

Minister's Statement 26-12(7): Fisheries Strategy

HON. JOHN TODD:

Thank you, Mr. Speaker. In January 1993, the Standing Committee on Finance requested that Economic Development and Tourism develop a fisheries plan emphasizing potential for increased processing in the NWT. This task was used to tie together several initiatives and programs which were under development at the time, which would form a strategy for the development of the Northwest Territories fishing industry. On January 17th of this year, I indicated to the standing committee that the strategy was being finalized.

On February 8th, the House of Commons Standing Committee on Fisheries and Oceans tabled a report entitled "Review of the Freshwater Fish Marketing Corporation." The recommendations in the report place the future of the corporation in doubt.

The Freshwater Fish Marketing Corporation was originally created to consolidate production from many small isolated fisheries under a single agency, to increase the selling power of the fishermen and to increase their returns. The corporation was given a near monopoly over the processing and marketing of freshwater fish from Alberta, Saskatchewan, Manitoba, the Northwest Territories and northwestern Ontario. There are strongly divergent views in the industry on the "single desk" selling mandate of the corporation.

The parliamentary committee recommendations, if accepted by the Government of Canada, will bring an end to the freshwater fish market as we know it today.

The committee recommends that in the short term provisions should be made for fishermen to opt out of the Freshwater Fish Marketing Corporation. Fishermen opting out would then be able to sell their fish to other companies.

In the longer term, it is recommended that the federal government enter into negotiations with the provinces and the Northwest Territories and other stakeholders, with the objective of transferring responsibility for processing and marketing freshwater fish from the FFMC to each jurisdiction now covered by the corporation. As jurisdictions implement programs for marketing and selling fish, it is recommended that they be exempted from the Freshwater Fish Marketing Act. When all jurisdictions have programs in place, no later than the 1997-98 fiscal year, the Freshwater Fish Marketing Act would be repealed and the FFMC would no longer exist as a Crown corporation.

Accordingly, for the present, existing policies and programs will be maintained. Subsidies to the winter fishery on Great Slave Lake will remain as set, at 10 cents per pound. The subsidy for the summer fishery will be set in the spring.

The Government of the Northwest Territories will consult with the fishermen on the committee's report and respond to the federal government. When the direction of the federal government is clear, we will return to the development of the fisheries strategy. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER:

Thank you. Item 2, Ministers' statements. Item 3, Members' statements. Mr. Lewis.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Recall Of MLAs

MR. LEWIS:

Thank you, Mr. Speaker. Members receive survey sheets as part of the Canadian Federation of

Independent Business regular poll of political and business leaders on matters of interest to the public.

This week I received results of Mandate West's survey number 174 which was published on February 2nd of this year. I don't always respond to the survey, Mr. Speaker, but I found the results of this one very interesting. One of the four questions on survey number 174 dealt with the issue of the recall of MLAs by their constituents. The question on the survey was: Should the Legislature adopt a system enabling voters to recall their MLAs?

Only people in the Northwest Territories were asked to respond to this particular question, Mr. Speaker. The response was yes, 63 per cent; no, 29 per cent; undecided, eight per cent; no interest on this issue, zero per cent. So everybody was interested.

There is clearly a continuing interest in this issue in the north, Mr. Speaker. I spent the past year working on the recall bill. I've said previously that there is a problem with our current consensus government. I shall be introducing the bill in this session since I believe there is an accountability problem we must all tackle.

Members were uncertain on how to proceed with recall a year ago when I first discussed it with my colleagues. Since then, Mr. Speaker, British Columbia has passed legislation and recall is no longer a strange or unusual concept. Thank you.

---Applause

MR. SPEAKER:

Thank you, Mr. Lewis. Item 3, Members' statements. Mr. Whitford.

Member's Statement On Urgent Need For Implementation Of Diving Regulations

MR. WHITFORD:

Thank you, Mr. Speaker. Good afternoon. Mr. Speaker, there is an urgent need for the Government of the Northwest Territories to draft effective regulations for northern divers, and to implement diving standards for any contract involving underwater work anywhere in our territorial jurisdiction, inclusive of fresh water and salt water. Of special importance is the need for a clear definition between the areas of commercial divers and sport divers. Unfortunately, Mr. Speaker, we have witnessed the deaths of four divers in the north since 1985, and we can no longer

afford to wait for the federal government to set national standards.

At present, most provinces have their own diving regulations and although there is a wide variation between provinces, they have at least attempted to protect their respective residents with some sort of regulatory measures.

It should also be noted, Mr. Speaker, that northern commercial divers face special dangers unique to our sub Arctic conditions and Arctic coastal waters which present specific hazards. Added to this, of course, is the rather northern job of diving beneath the ice. Despite these significant obstacles, qualified commercial divers are both fearful and frustrated by incidents of sport divers who, believing they are qualified to deal with these conditions, apply for any type of diving job and literally risk their lives with each diving operation.

In view of all this, Mr. Speaker, it really is shameful that this government has not yet even drafted comprehensive regulations to deal with this issue. I think this government should act quickly and do everything possible to rectify, to date, what can only be viewed as a lack of responsibility in this matter. Thank you.

---Applause

MR. SPEAKER:

Thank you, Mr. Whitford. Item 3, Members' statements. Mr. Pudluk.

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Member's Statement On Concerns Of Aboriginal People In Quebec

MR. PUDLUK:

(Translation) Thank you, Mr. Speaker. I would like to take this opportunity, through my Member's statement, to talk about the aboriginal people of Nunavik in northern Quebec. The aboriginal people are very concerned right now in Nunavik about the issue of separation of Quebec because they are one of the original peoples of Canada and are aboriginal people. The Premier of Quebec is really pushing for Quebec separation from the rest of Canada so, for this reason, the aboriginal people of northern Quebec are very concerned. They are working towards staying in Canada. They want to belong to the rest of Canada as aboriginal people.

There is going to be a referendum very shortly in Quebec to decide whether or not Quebec will be separating from the rest of Canada. Because Nunavik aboriginal people are our family -- I have family members there because my wife is from there - - they want to have easy access to the rest of Canada. The residents are very scared that Quebec is going to separate from Canada. I rise today to say we support the aboriginal people of Quebec to stay in Canada. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER:

Thank you, Mr. Pudluk. Item 3, Members' statements. Mr. Ng.

Member's Statement On Appreciation Of Mr. Larry Aknavigak

HON. KELVIN NG:

Thank you, Mr. Speaker. Mr. Speaker, today I would like to speak about a good friend of mine. His Worship Larry Aknavigak took office as mayor of Cambridge Bay in January of 1994. Recently, on February 16th, he resigned to assume his new full-time responsibilities as chairman of the Nunavut Impact Review Board. At this time, on behalf of my constituents and myself, I would like to thank him for his contribution and service to the residents of Cambridge Bay and the region. In establishing an excellent working relationship that I have had with him, I would like to recognize him sitting in the gallery and ask Members to join me in wishing him all the best in his new capacity as well.

Finally, I would like to wish the new mayor of Cambridge Bay, Mr. Michael O'Gorman, best success in his endeavours. I hope that I will be able to establish just as good a relationship with him as I was able to with the former mayor. Thank you.

---Applause

MR. SPEAKER:

Thank you. Item 3, Members' statements. Mr. Antoine.

Member's Statement On Community Action Fund Initiative

MR. ANTOINE:

Mahsi, Mr. Speaker. Mr. Speaker, the government has referred to a community action fund in conjunction with the 1995-96 budget. This fund would help community groups test their ideas in making plans for community wellness initiatives. However, the government has not said where the money for the community action fund will come from.

I asked the Minister of Finance, on Friday last, why the government suggested such a plan without providing a means for funding it and without including it in the budget. While the Minister agreed that such a fund is something that the communities want to have happen, he didn't tell the House why the government hasn't identified funding for this initiative in the 1995-96 budget. Mr. Speaker, the Members of the Standing Committee on Finance and, indeed, all ordinary Members do not find this acceptable. If the government has a proposed initiative, they should tell this House where the money will come from. If the funding is not available, the initiative should not have been proposed.

The Minister of Finance said until such a time as there is an agreement on the program and where the funding comes from, it will not be brought back before the House. My response is, if there is no agreement on the program or on the source of funding, the proposal should not have been brought to the floor of the House in the first place.

I am further concerned, Mr. Speaker, by an apparent contradiction in the Minister's answers to my questions on Friday last. At one point, referring to the budget supplement document that discussed the community action plan, he told the House that he didn't consider that document to be part of the budget. However, later that day, in response to another question, he said if we can reach agreement on how to raise those funds or where to get the money from then, yes, we would propose bringing that issue back to the floor of this House and amending the budget or department somehow so that it is reflected in the 1995-96 budget.

The Government of the Northwest Territories introduced a proposed initiative which would appeal to all northerners. Yet, it was not specifically included in the budget and we don't know where the money will come from. With all the challenges, fiscal and otherwise, facing this Assembly and this government, this is not acceptable. This initiative should have been either reserved until the funding issue was resolved or included as part of the budget with some means of funding provided.

Mr. Speaker, I have run out of time. I would like to seek unanimous consent to conclude my statement.

MR. SPEAKER:

The Member for Nahendeh is seeking unanimous consent. Are there any nays? There are no nays. Please proceed, Mr. Antoine.

MR. ANTOINE:

Mr. Speaker, as a result of this incident, we have deferred the Social Envelope Committee in the committee of the whole for the departments of Health and Social Services, Education, Culture and Employment, Justice, and the Northwest Territories Housing Corporation to later in the review process until this issue is resolved.

As a result of that and to help matters, Mr. Speaker, later today I will be giving notice of a motion to direct the Executive Council to consider allocating \$3.2 million from the 1995-96 supplementary funding reserve to implement this initiative. I agree that the community action fund is worthwhile for the people of the Northwest Territories. Thank you, Mr. Speaker.

---Applause

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MR. SPEAKER:

Thank you, Mr. Antoine. Item 3, Members' statements. Mr. Koe.

Member's Statement On Support For Community Justice Committees

MR. KOE:

Mahsi, Mr. Speaker. Mr. Speaker, yesterday I spoke about the role of community justice systems and especially the service volunteers who serve on these committees provide. Today, I would like to expound a bit on what these committees do. I can only make reference to the community justice committee in Inuvik, as I have had opportunities to meet with them and observe their work.

The Inuvik committee is very active and has a large case load to deal with. From what I have observed and hear, this committee is doing a very good job. Mr. Speaker, one of the major tasks of these committees is to work on an adult diversion program; that is, where possible, to try to keep an individual

from appearing in court and possibly ending up in jail. There has to be a tremendous cost-savings for every person diverted from our current formal justice system. For example, there are costs of: police services; legal services; defence and prosecution lawyers; the judge; maybe the jury; and, if it is in the territorial Supreme Court, the cost of the court party, which includes their travel.

If a person is convicted, then additional costs, which include transportation to a correctional centre, including return fare and accommodation for police escorts and then the cost of housing that individual in our correctional centre. We all know the high costs involved in our current formal system.

Mr. Speaker, the point of my statement is that we now have a community initiative which seems to work and at very little cost. It would seem that for every person diverted from the formal justice system, there is some cost-savings. I would suggest to the department that they do a review of the effectiveness and efficiencies of the community justice committees with a view of providing more support, moral and financial.

Mr. Speaker, we have something that works. Let's encourage and support it. Mahsi.

---Applause

MR. SPEAKER:

Thank you, Mr. Koe. Item 3, Members' statements. Mr. Patterson.

Member's Statement On Congratulating Iqaluit On Hosting Successful Meeting

MR. PATTERSON:

Thank you, Mr. Speaker. Mr. Speaker, last week, the town of Iqaluit and the Nunavut Implementation Commission hosted an important meeting of men and women representing some 25 Nunavut communities; seven MLAs from the Nunavut Caucus; one from the Constitutional Development Steering Committee, Mr. Koe; the Premier; and, executive members of Nunavut Tunngavik Incorporated.

The town of Iqaluit has recently established a hospitality committee under the leadership of the mayor of Iqaluit, Joe Kunuk. I would like to congratulate the mayor, council and the community for the fine job they did of hosting this major meeting last week. There were activities each night; games and dancing in the parish hall; more music dancing

and entertainment, along with the community feast at the Inuksuk High School. There was a banquet hosted by the Iqaluit and regional chamber of commerce and corporations, followed by games and dancing in Apex. I would like to thank the entertainers, young and old; people like the hunters who secured country food for the feast, business people and especially each member of the Iqaluit hospitality committee.

I was quite impressed, Mr. Speaker, by the very grateful comments of many of our visitors from Nunavut, some of whom had never been to Iqaluit before. The community I represent is a strong Inuit community; in fact, the largest Inuit community in the Northwest Territories. They noted that it has what has to be the smallest and oldest community hall in Nunavut and that Iqaluit can reflect the very best of northern hospitality and entertainment in an alcohol-free setting.

So, Mr. Speaker, I would like to thank all of the people who honoured us by attending this meeting. Iqaluit now looks forward to the honour of hosting the Nunavut trade show this coming weekend and, later this spring, the annual general meeting of the NWT Association of Municipalities. Qujannamiik.

---Applause

MR. SPEAKER:

Thank you, Mr. Patterson. Item 3, Members' statements. Item 4, returns to oral questions. Ms. Cournoyea.

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Question 118-12(7): Proclamation Of Aboriginal Custom Adoption Recognition Act

HON. NELLIE COURNOYEA:

Mr. Speaker, I have a return to an oral question asked by Mr. Koe on February 21st regarding proclamation of Aboriginal Custom Adoption Recognition Act.

Before the act comes into force, the Department of Health and Social Services will work with the departments of Justice and Safety and Public Services to carry out a number of tasks.

An appointment process must be established for adoption Commissioners, an information kit will have to be prepared for communities, an orientation

process is needed for adoption Commissioners and payment procedures will have to be finalized.

Departmental officials have been in contact with the department of Justice regarding the development of regulations for this act and an action plan has been developed. Proclamation of the Aboriginal Custom Adoption Recognition Act is expected to occur on or before September 30, 1995.

Mr. Speaker, I have another return, if I may proceed.

Return To Question 136-12(7): Birthing Centre For Taloyoak

Mr. Speaker, it is a question asked by Mr. Ningark on February 22, 1995 regarding a birthing centre for Taloyoak.

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Earlier this month, in response to a letter received from the mayor of Taloyoak, I recommended that the Kitikmeot health board proceed with the development of a proposal for a midwifery project, either as a community or regional initiative, and submit the proposal to the deputy minister's office for review and consideration. Once this proposal has been received and reviewed, we will be better able to determine how the government will be able to support the centre.

The department is currently working with the Keewatin Regional Health Board to evaluate the Rankin Inlet birthing project. I think there are some valuable lessons to be learned from the pilot project. The evaluation is expected to be complete in the spring of 1996. This will give us time to review the request from Taloyoak in relation to the results of the Keewatin pilot project. At that point, a decision will be made based on the economic and practical viability of community birthing projects. A major factor in the decision, Mr. Speaker, will be the availability of sufficient funds to adequately support the project. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 4, returns to oral questions. Mr. Todd.

Further Return To Question 157-12(7): Changes In WCB Coverage For Hunters And Trappers

HON. JOHN TODD:

Thank you, Mr. Speaker. Mr. Speaker, I have a return to an oral question asked by Mr. Koe on February 24, 1995 regarding changes in WCB coverage for hunters and trappers.

Section 10 of the Workers' Compensation Act allows for a person who is a resident of the NWT, who holds a general hunting licence, and is an independent operator principally engaged in hunting, fishing or trapping for a livelihood, to be covered to their year's maximum insurable remuneration, YMIR, of \$24,000. There is no cost for this coverage.

If a hunter/trapper is not covered under section 10 of the Workers' Compensation Act, or if he/she wishes to insure himself/herself in an amount greater than the \$24,000, the coverage can be obtained at a rate of \$2.50 per hundred dollars. Thank you.

MR. SPEAKER:

Thank you. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Mr. Patterson.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. PATTERSON:

Mr. Speaker, I have been away from the Assembly and I am not sure whether I have been neglecting Mr. Ben MacDonald, but he is here and I am here today. He is from the Union of Northern Workers. Thank you.

---Applause

MR. SPEAKER:

Thank you. Item 5, recognition of visitors in the gallery. Item 6, oral questions. Mr. Whitford. Mr. Whitford, do you have a question?

MR. WHITFORD:

I am sorry, Mr. Speaker. I was going to introduce Mr. Aknavigak, but I am too late.

MR. LEWIS:

He is introduced now.

MR. SPEAKER:

Would you like to go back?

---Laughter

The Member for Yellowknife South is asking unanimous consent to go back to item 5, recognition of visitors in the gallery. Are there any nays? There are no nays. Mr. Whitford.

REVERT TO ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. WHITFORD:

I would like to take this opportunity to introduce, or reintroduce, Larry Aknavigak, the former mayor of Cambridge Bay. When the Standing Committee on Legislation was in Cambridge Bay, he was very hospitable to the standing committee during our short stay there.

---Applause

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Lewis.

ITEM 6: ORAL QUESTIONS

Question 181-12(7): Impact Of Federal Budget Cuts

MR. LEWIS:

Thank you, Mr. Speaker. I got several calls from constituents this morning about last night's budget, Mr. Speaker. I was asked to raise this question: since in fiscal year 1996-97 we're expected to be cut by about \$58 million by the federal government, and since we've heard lots of statements right across the country -- Mr. Savage is angry about the \$250 million cut they're going to get; Mr. Rae is angry about the more than \$3 billion cut that Ontario is going to get -- and since we're saying that we're not going to fight about it, we're not going to rail like everybody else -- and we took a hit like everybody else -- I would like to ask the Minister of Finance how can our constituents judge whether we are being treated fairly by this cut in comparison to everybody else across the country since we had an immediate reaction yesterday from every jurisdiction to this budget and we haven't had an official reaction from the Northwest Territories as to whether we like this or not?

MR. SPEAKER:

Minister of Finance, Mr. Pollard.

Return To Question 181-12(7): Impact Of Federal Budget Cuts

HON. JOHN POLLARD:

Thank you, Mr. Speaker. Good afternoon. Mr. Speaker, individual residents of the Northwest Territories, along with individual residents in Canada, are going to have to judge for themselves the fairness of Mr. Martin's budget.

To reassure people why am I not railing against what Mr. Martin has done, I believe that railing against what he has done would be non-productive. I would rather work with the federal government to achieve the ends that they want to meet than I would in becoming an adversary of theirs and fighting with them.

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At 3:00 this afternoon, I will be discussing this issue with Ethel Blondin-Andrew and we will be requesting that, in the not-too-distant future, we'll be meeting with Mr. Martin, the Premier and myself, to discuss how these impacts on the Northwest Territories are going to occur and just what the full impact will be and how we're going to address those changes in our lives that are going to take place. So I would rather work with them than against them, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 181-12(7): Impact Of Federal Budget Cuts

MR. LEWIS:

Thank you, Mr. Speaker. It's understandable that, since we seem to not have a reaction, the public would be interested in knowing what the full impact on us will really be.

I understand that we are in a different position than the provinces. We are in a weaker position, I suppose, because we're not a province. I would like to ask the Minister, since we have a formula funding agreement, what aspects of this formula funding agreement need to be examined in creating a new formula for us? In other words, if our cut is going to be \$58 million, what is it that we need to change in the formula funding agreement that helps us to absorb that kind of a reduction?

MR. SPEAKER:

Mr. Pollard.

Further Return To Question 181-12(7): Impact Of Federal Budget Cuts

HON. JOHN POLLARD:

Mr. Speaker, what needs to happen is there needs to be a recognition that the Northwest Territories can be of great advantage to Canada if we manage the assets and if we manage the resources in the Northwest Territories well. If they are taken out of the ground or if they're taken off the land and put into production, not only will we gain but so will Canada. So what we need to do is to convince Mr. Martin to have a formula funding agreement that recognizes that if we do well, then Canada does well. Our present one is somewhat restrictive and doesn't allow us to do that, so that's the argument that I will be making to him, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 181-12(7): Impact Of Federal Budget Cuts

MR. LEWIS:

Thank you, Mr. Speaker. Although this federal budget only proposes to raise taxes very selectively on a very narrow range of issues, what would be the impact of these taxes on northerners and on our northern economy?

MR. SPEAKER:

Mr. Pollard.

Further Return To Question 181-12(7): Impact Of Federal Budget Cuts

HON. JOHN POLLARD:

Mr. Speaker, the gasoline tax increased by 1.5 cents a litre. That's going to have an impact on people in the Northwest Territories. It will maybe have an impact on us too because it may cause us to gain some more revenues.

With regard to the other taxes, the increase in corporate income tax is going to affect companies in the Northwest Territories.

Of much greater concern is when we find out more details; they talked about mining and resource revenues, yesterday. We don't know what the impact

of that is going to be. Those are the kinds of areas that I'm concerned about right now. I know there are other people in Canada who are concerned about frightening away large corporations from Canada, and I guess we must be equally vigilant.

You know yourself, Mr. Speaker, that this year we did not choose to raise corporate income taxes because we wanted to be competitive. So I think Canada has to be competitive and the Northwest Territories as well. So it may have some downstream effects that we don't know about yet, Mr. Speaker, but it's something that we're monitoring. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Final supplementary, Mr. Lewis.

Supplementary To Question 181-12(7): Impact Of Federal Budget Cuts

MR. LEWIS:

Thank you. Since we are funded quite differently from the provinces, I would like to ask the Minister of Finance; in the areas of health and education where we, at one time, used to have established program funding, how will this new transfer system of health and social services affect us or does the formula funding agreement we have right now cover all that anyway and we need not worry about what's happening in the provinces?

MR. SPEAKER:

Mr. Pollard.

Further Return To Question 181-12(7): Impact Of Federal Budget Cuts

HON. JOHN POLLARD:

Mr. Speaker, Mr. Nerysoo is going to have his work cut out for him over the next few months, as he deals with the federal government in this particular area. With regard to the impact upon us fiscally, we do not believe that there will be a fiscal impact to us because of the formula financing agreement that we have seen laid down before us by the federal government. The outlines are there and the basics are there, and under the present conditions, it would not have an effect on us. But I stand to be corrected as we get further into the negotiations, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Koe.

Question 182-12(7): Justification For Increasing PYs Under Activity In ED&T

MR. KOE:

Mahsi, Mr. Speaker. I have a question for the Minister of Economic Development and Tourism. Yesterday in committee of the whole, we were reviewing the department's main estimates. In particular, we were reviewing an activity called "policy and planning." I asked a question about the increase in PYs in one of the tasks associated with this activity.

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There were tasks we were dealing with: the economic planning task and the human resources task. In reviewing this further, I note that the person years in the economic planning task were reduced by one person year, from six to five, but in the human resources task there is an increase of 1.6 PYs, from 2.0 to 3.6 PYs. This information is in direct contrast to what the Minister said yesterday in responding to my enquiry. My question to the Minister is can he please justify the reasons for increasing the person years in the human resources task from 2.0 to 3.6 PYs in the 1995-96 main estimates.

MR. SPEAKER:

Minister of Economic Development and Tourism, Mr. Todd.

Return To Question 182-12(7): Justification For Increasing PYs Under Activity In ED&T

HON. JOHN TODD:

Thank you, Mr. Speaker. It was pointed out to me late yesterday afternoon by the deputy minister that perhaps I was in error in my interpretation of that increase in the PYs. In fact, these 1.6 PYs were added to cover off student summer employment that historically was done under contract. We added it to this component under the casual wages, where students would come back and are employed by the department for four months in the summer. We have four trainees in this category: Danny Gaudet; Tanya Roth; Donna Kisoun and Donald Haviyok.

As I said, in the past this work apparently was done under contract. This year we changed it to casual wages. Therefore, I apologize to the Member for

misguiding him yesterday, and I appreciate the opportunity to clarify it this afternoon. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Supplementary, Mr. Koe.

Supplementary To Question 182-12(7): Justification For Increasing PYs Under Activity In ED&T

MR. KOE:

Thanks. I appreciate the response from the Minister, and I again congratulate him on looking after our students, especially the ones in training positions to ensure they have jobs when they come back for summer breaks.

Also in the Minister's response yesterday, and I quote from the unedited Hansard, he said: "...the human resource component really isn't increasing, it's mostly in the policy and planning area because there's a greater emphasis on trying to manage results and to try to evaluate more clearly the return on investment we're getting of our expenditures." So, my supplementary to the Minister is, what work is being done in terms of measuring results and evaluating activities within the department?

MR. SPEAKER:

Mr. Todd.

Further Return To Question 182-12(7): Justification For Increasing PYs Under Activity In ED&T

HON. JOHN TODD:

Thank you, Mr. Speaker. Some time ago, last year I believe, the Standing Committee on Finance indicated to us that we had to determine what our return on investment is, particularly in the tourism and parks area. We did present to the Standing Committee on Finance earlier in the year our first cut at trying to evaluate what the return on investment is, whether it is expenditures in the park in Lake Harbour or expenditures that Mr. Dent asked about yesterday with respect to tourism development. That's the area we're working on right now. We're trying to determine if we are getting a return on the money we are spending in the development of parks and the marketing of tourism.

I believe the results we have so far are certainly not perfect and we have to refine the gathering of

information so it is a little more sophisticated and accurate, but I think we're on the right track. Hopefully, in the coming months, we'll be able to demonstrate that to the ordinary Members and determine more clearly if the money we're spending in particular areas is giving us a return on our investment. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Ningark.

Question 183-12(7): Services For Handicapped People

MR. NINGARK:

Thank you, Mr. Speaker. My question is directed to the honourable Minister responsible for Health and Social Services. Mr. Speaker, we represent hunters and trappers, business people, young people, women, elders and so on. They are struggling every day to make their lives easier. But there is one very special group of people who we haven't really seemed to represent in the House yet. For mentally handicapped and physically handicapped people, life in the small communities can be very difficult. Mr. Speaker, my question is what programs and services are available for mentally and physically handicapped people? Thank you.

MR. SPEAKER:

Minister of Health and Social Services, Ms. Cournoyea.

Return To Question 183-12(7): Services For Handicapped People

HON. NELLIE COURNOYEA:

Mr. Speaker, there are a variety of programs and services to meet the needs of the categories of individuals as outlined by the honourable Member. What I had hoped to be doing in the next few months is looking at all these needs in a more structured, rational way so that we can plan, within the Department of Health and Social Services, to meet those needs.

I've tried to put together information so that we can have a comprehensive look at the communities. I'm not advocating any major studies or bringing in consultants, but to get a fix on the communities, the age groups and what the requirements are so that the

department can plan to meet the needs of these groups of people.

I know there has been a concern that because of the smaller number of people we are dealing with, they often get forgotten. There's a great deal of interest now at the community level to address, as much as possible, as many of the needs as can be met at the community level. I hope that the community wellness strategy will look very carefully at overcoming some of the ad hoc planning that has occurred in the past.

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Mr. Speaker, I hope in the next few months we will be able to come up with a fairly good idea of what is needed, what communities can handle and how residents who have handicaps that are too severe can be handled in another locality. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Supplementary, Mr. Ningark.

Supplementary To Question 183-12(7): Services For Handicapped People

MR. NINGARK:

Thank you, Mr. Speaker. Will the honourable Minister communicate and seek advice from the regional health boards in this matter? Thank you.

MR. SPEAKER:

Ms. Cournoyea.

Further Return To Question 183-12(7): Services For Handicapped People

HON. NELLIE COURNOYEA:

Mr. Speaker, I have dealt with this issue with the Inuvik health board in the Inuvik region, the Sahtu health board in the Sahtu region and also with the Kitikmeot health board. It is anticipated that, as early as possible, we'll be meeting with the Keewatin and Baffin boards to address these concerns. As well, when there are regional meetings, the community wellness strategy has been brought to the attention of the members and it has been suggested it might be an avenue for identifying, with community and regional involvement, the best way of identifying needs and where these needs should be met. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Patterson.

Question 184-12(7): Establishment Of Nunavut Chamber Of Commerce

MR. PATTERSON:

Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Economic Development and Tourism. Mr. Speaker, the Nunavut trade show is coming up in Iqaluit this coming weekend. I'm pleased the Minister is going to be there. There will be businessmen and women from all over Nunavut gathered there, and I know they will be discussing progress on the development of a Nunavut Chamber of Commerce to prepare for economic activities in Nunavut. I would like to ask the Minister, does he support the establishment and growth of a Nunavut chamber of commerce? Thank you.

MR. SPEAKER:

Minister of Economic Development and Tourism, Mr. Todd.

Return To Question 184-12(7): Establishment Of Nunavut Chamber Of Commerce

HON. JOHN TODD:

Thank you, Mr. Speaker. Yes, we support the orderly development of a Nunavut Chamber of Commerce. I've already expressed to the presidents of the Keewatin, Kitikmeot and Baffin chambers of commerce that I would be only too happy to look at the potential funding proposal, should they request it. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 184-12(7): Establishment Of Nunavut Chamber Of Commerce

MR. PATTERSON:

Thank you, Mr. Speaker. Could the Minister inform the House what contribution, in dollar terms, his department has made to the Nunavut Chamber of Commerce, compared to the contribution made to the Northwest Territories Chamber of Commerce in the current fiscal year. Thank you.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 184-12(7): Establishment Of Nunavut Chamber Of Commerce

HON. JOHN TODD:

Mr. Speaker, if my memory serves me correctly, the only contribution we made to the Nunavut Chamber of Commerce was last year. It was \$7,500 to bring the three presidents from the three regions in to see if there was sufficient interest in the development of a new Nunavut Chamber of Commerce. I've been disappointed, obviously, with the results and have been encouraging the three presidents to accelerate the efforts to have a more representative Nunavut Chamber of Commerce. With respect to the NWT Chamber of Commerce, I believe the dollars were significantly more, somewhere around the \$100,000 to \$200,000 range. I stand to be corrected, but it certainly was significantly more. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Dent.

Question 185-12(7): Purpose Of Presenting SCOF With Budget Supplement Document

MR. DENT:

Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Finance regarding the budget supplement document. Mr. Speaker, last Friday, Mr. Antoine asked the Minister of Finance questions about the budget supplement raised during committee of the whole's examination of Health and Social Services budget. The answers weren't entirely clear, so I would like to seek clarification on some of the issues today.

Can the Minister of Finance explain what the purpose of presenting the social envelope budget supplement to the Standing Committee on Finance was?

MR. SPEAKER:

Minister of Finance, Mr. Pollard.

Return To Question 185-12(7): Purpose Of Presenting SCOF With Budget Supplement Document

HON. JOHN POLLARD:

Mr. Speaker, the Social Envelope Committee recommended to me that they prepare this document and present it to the Standing Committee on Finance as an information item. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Dent.

Supplementary To Question 185-12(7): Purpose Of Presenting SCOF With Budget Supplement Document

MR. DENT:

Thank you, Mr. Speaker. Supplementary. Mr. Speaker, although the Minister has advised the House that this was presented as an information item, the Standing Committee on Finance was given

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the impression that although there were no identified funds at the time the budget supplement was presented, this would be resolved by the time the budget was presented to the House. Could the Minister advise why these funds were not identified at the same time as the budget was presented to the House?

MR. SPEAKER:

Mr. Pollard.

Further Return To Question 185-12(7): Purpose Of Presenting SCOF With Budget Supplement Document

HON. JOHN POLLARD:

Mr. Speaker, that was not part of the budget deliberation considerations. There were certainly no funds available for that particular initiative; we were already in the hole \$14 million. So it wasn't considered by FMB. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Dent.

Supplementary To Question 185-12(7): Purpose Of Presenting SCOF With Budget Supplement Document

MR. DENT:

Thank you, Mr. Speaker. Mr. Speaker, last Friday, the Minister of Finance indicated that the community wellness fund has yet to be discussed by Cabinet or the Financial Management Board; however, SCOF was assured that the Cabinet was very actively involved in the envelope process. Since, as the Minister has indicated, this information item came from the Social Envelope Committee, and since the Minister and the government know the high priority that the Standing Committee on Finance and this Legislature have placed on balancing the requirements of social issues, how is it that Cabinet Members were apparently unaware of the need to identify funding for this initiative?

MR. SPEAKER:

Mr. Pollard.

Further Return To Question 185-12(7): Purpose Of Presenting SCOF With Budget Supplement Document

HON. JOHN POLLARD:

Mr. Speaker, if my memory serves me correct, this did not come out of the Social Envelope Committee and get reported as part of the budget. This is something that occurred after the reports from the envelope committees. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Final supplementary.

Supplementary To Question 185-12(7): Purpose Of Presenting SCOF With Budget Supplement Document

MR. DENT:

Thank you, Mr. Speaker. Is the Finance Minister saying for the record that he was totally ignoring the direction that SCOF had given the government that there be a balance between social concerns, infrastructure and economic development?

MR. SPEAKER:

Mr. Pollard.

Further Return To Question 185-12(7): Purpose Of Presenting SCOF With Budget Supplement Document

HON. JOHN POLLARD:

Mr. Speaker, I never disregard what the Standing Committee on Finance says. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mrs. Marie-Jewell.

Question 186-12(7): Time Frame For Achieving Northern Accord

MRS. MARIE-JEWELL:

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Energy, Mines and Petroleum Resources. In reviewing unedited Hansard, Mr. Speaker, one of my colleagues had asked whether the Minister felt they could achieve a mining accord. It's my understanding that this government is trying to achieve a northern accord -- and possibly a mining accord may be subsequent to a northern accord -- in addition to an oil and gas accord.

Mr. Speaker, can I ask the Minister of Energy, Mines and Petroleum Resources whether or not he feels a northern accord can be achieved by this government by the fall?

MR. SPEAKER:

Minister of Energy, Mines and Petroleum Resources, Mr. Todd.

Return To Question 186-12(7): Time Frame For Achieving Northern Accord

HON. JOHN TODD:

Thank you, Mr. Speaker. I should clarify. The honourable Member is correct, it is a northern accord; oil and gas/minerals. As I said yesterday, my optimistic side is if we can reach an arrangement with the aboriginal groups by the end of May in which they assist us in the development of the accord and the language of the accord, then I'm optimistic with the commitment that has been given by Mr. Irwin, Minister of Indian Affairs, and the priorities being placed on this initiative by both the Premier and our illustrious Finance Minister, that we should be in a position to conclude an accord that is reflective of the majority of people in the territories. I'm certainly optimistic we can achieve that.

However, in all fairness, I think it's contingent upon, to some extent, the ability of all of us who are meeting to reach an arrangement on the accord, to work with

each other in an effort to reach a compromise position. Thank you.

MR. SPEAKER:

Supplementary, Mrs. Marie-Jewell.

Supplementary To Question 186-12(7): Time Frame For Achieving Northern Accord

MRS. MARIE-JEWELL:

Thank you. Recognizing that the Treaty 8 organization is in their land selection process, and also recognizing that there are some other native organizations that don't have their claims settled, I recognize the Minister is being optimistic; however, stating the reality of the world today, inside and outside of the Northwest Territories, and the reluctance of certain native organizations without a claim, I cannot see how they can achieve a northern accord; how this government can get the support of all native organizations for a northern accord. I would like to ask the Minister, can he advise this House

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as to what aboriginal organizations do not support the acquisition of a northern accord for this government? Thank you.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 186-12(7): Time Frame For Achieving Northern Accord

HON. JOHN TODD:

Mr. Speaker, I'm not trying to avoid the question but I can't speak for aboriginal organizations that are at the table. I can say this; both Treaty 8 and the Deh Cho people have expressed some concern. They are in intensive discussions with the federal government as it relates to a nation-to-nation relationship, rather than a claim relationship. I think I can say, I hope without contradiction, that the Inuvialuit, the Gwich'in, Sahtu, NTI and the Metis Nation have all agreed to sit around the table and try to reach an arrangement and language that would make them feel comfortable so that we could move forward in trying to reach an accord. I don't know whether that satisfies the honourable Member, but that's the best way I can describe it at this time.

It would be my hope -- and I believe I've been reasonably public and candid particularly with my colleagues, the Treaty 8 people -- that while they view themselves as observers and not direct participants, they would still give us their best advice on how we should proceed. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mrs. Marie-Jewell.

Supplementary To Question 186-12(7): Time Frame For Achieving Northern Accord

MRS. MARIE-JEWELL:

Thank you, Mr. Speaker. Can the Minister advise this House and the public of the Northwest Territories, as of this date, does he have the support of Treaty 8 to acquire a northern accord for the Government of the Northwest Territories? Thank you.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 186-12(7): Time Frame For Achieving Northern Accord

HON. JOHN TODD:

Thank you, Mr. Speaker. It's a very difficult question to answer. Again, I'm not trying to be evasive. I have met on three occasions with Treaty 8 representatives and have encouraged them to be participants in this process. They view their relationship with the federal government differently than claimant groups with claims. It would be difficult for me to say whether they are onside or not onside. I know they've come to the meetings in an observer status and I've certainly appreciated that and I've extended my appreciation to them for that.

They're attending the meetings as observers, which I'm encouraged by. They've made it clear to us that they have a special relationship with the federal government which they don't want the accord to encumber. So it's very delicate. We're trying to find a delicate balance in the language of the accord that will one, satisfy this public government; and, two, not impinge upon the negotiations that are under way with the federal government. I guess that would be the best way to explain it. Thank you.

MR. SPEAKER:

Thank you. Final supplementary, Mrs. Marie-Jewell.

Supplementary To Question 186-12(7): Time Frame For Achieving Northern Accord

MRS. MARIE-JEWELL:

Thank you, Mr. Speaker. The Minister may feel it is a delicate situation but I don't think it is a delicate issue. I'm just asking whether or not they support the accord. Recognizing that Treaty 8, as the Minister stated, is only an observer in the process -- they don't even want to be participants in the process to give the government support for the northern accord -- I would like to ask the Minister again, has the federal government stipulated that all aboriginal organizations have to support this government in order to acquire a northern accord? Thank you.

MR. SPEAKER:

Minister Todd.

Further Return To Question 186-12(7): Time Frame For Achieving Northern Accord

HON. JOHN TODD:

The federal government has indicated to me, in my discussions with them, that I should make every attempt to seek broad-based support for an accord. That's what they've indicated at this time. I don't believe they have said one group or another would have a veto, but I believe they have said it is incumbent upon us to reach broad-based support for this accord. A genuine expression of the politics of inclusion is what we're attempting to achieve in the round-table discussions we're having with the key leadership of aboriginal groups. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Zoe.

Question 187-12(7): Development Of Policy Re Recreational Games

MR. ZOE:

Thank you, Mr. Speaker. My question is for the Minister responsible for Municipal and Community Affairs, the Minister responsible for sports and recreation. Mr. Speaker, I asked the former Minister if she would review all the various games that we have participated in, such as the Arctic Winter Games, regional games, the Indigenous Games, and if she

would develop a policy for these sporting events. Prior to us adjourning this House on November 16th of last year, Mr. Speaker, the Minister committed to the House that she would bring forward a progress report on this policy when the House reconvened in February. It is now the last day of February. When will this House be getting the progress report that the former Minister committed to give us? Thank you.

MR. SPEAKER:

Minister of Municipal and Community Affairs, Mr. Ng.

Return To Question 187-12(7): Development Of Policy Re Recreational Games

HON. KELVIN NG:

Thank you, Mr. Speaker. It is my understanding, Mr. Speaker, that discussions have begun already with key stakeholders in the sport system, and a public

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discussion paper is being prepared to be presented to Cabinet for review in early May of this year to form the basis for further public consultation, with the expectation that a final report will be presented to the Cabinet by the end of September on the evaluation of our government's involvement in recreational games. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 187-12(7): Development Of Policy Re Recreational Games

MR. ZOE:

Supplementary, Mr. Speaker. Mr. Speaker, I think it's quite important that this policy proceed in a timely manner. I realize that a final report won't come out until September, but a number of games are going to be held between now and September. One of them, Mr. Speaker, is the North American Indigenous Games which are going to take place in Minneapolis. A lot of my constituents and people from other areas are looking forward to participating in these games. Since we don't have a policy, how is it that these individuals are going to get the support and required funding from his department? I think it is quite urgent that we do get a policy in place so that we know the rules before these games occur.

My question to the Minister is, is he willing to fast-track this policy before we conclude this session? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 187-12(7): Development Of Policy Re Recreational Games

HON. KELVIN NG:

Thank you, Mr. Speaker. I'm not positive whether or not there's a policy currently in place but I know there are provisions in place, through the former Minister and former Cabinet, in the amount of \$50,000 specifically to address the North American Indigenous Games, as a result of the concerns that were brought forward by the Member at the last session. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 187-12(7): Development Of Policy Re Recreational Games

MR. ZOE:

Thank you, Mr. Speaker. I don't believe the honourable Member for Kitikmeot answered my question. My question was, would he, in his capacity as Minister, fast-track this policy to govern this particular event? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 187-12(7): Development Of Policy Re Recreational Games

HON. KELVIN NG:

Thank you, Mr. Speaker. I will make a commitment to take a look at whether or not there is a policy in place. If not, we will look at it. But, I would like to say that it has to be looked at in the overall context of all the major games being reviewed by the department. You can't just look at one in isolation of all others, because one impacts upon the other.

MR. SPEAKER:

Final supplementary, Mr. Zoe.

Supplementary To Question 187-12(7): Development Of Policy Re Recreational Games

MR. ZOE:

Thank you. Final supplementary, Mr. Speaker. Mr. Speaker, I'm glad to hear that the Minister will be taking a second look at this issue. Could I have the Minister commit to have this done prior to conclusion of this session? Thank you.

MR. SPEAKER:

Mr. Ng.

Further Return To Question 187-12(7): Development Of Policy Re Recreational Games

HON. KELVIN NG:

Thank you, Mr. Speaker. I'm not sure I can make that commitment, given the resources that are available in this session. The department has to look after issues that have been brought forward here. But, I will endeavour to see what time frame it can be done in and get back to the Member on that. Thank you.

MR. SPEAKER:

Item 6, oral questions. Mr. Pudlat.

Question 188-12(7): Financial Assistance For Disabled People

MR. PUDLAT:

(Translation) Thank you, Mr. Speaker. This question is directed to the Minister of Health and Social Services. Even though there was a response earlier to a question about this, I brought up concerns last year about disabled people. We have quite a few people who have disabled children and many of them are now not small children. When the disabled are unable to look after themselves, someone has to take care of them.

The Minister said that facilities would be provided to care for the disabled. My question is, is there any money available through the department for their care, or for their parents to get assistance for the additional expense of taking care of disabled children? Are there funds available for assisting families who have disabled members? Thank you, Mr. Speaker.

MR. SPEAKER:

Minister of Health and Social Services, Ms. Cournoyea.

Return To Question 188-12(7): Financial Assistance For Disabled People

HON. NELLIE COURNOYEA:

Thank you, Mr. Speaker. Yes, there are funds available for the care of the disabled. For example, a number of disabled adult children are taken to the facility in Rankin Inlet from the central Arctic to provide some relief and back-up for the parents of those children. Each case is looked at individually. For a number of years, there hasn't really been a comprehensive plan for where these disabled people are, how much can be handled at the community level and at what point should these disabled people get treated in another place or in a different way. I know that there has been some work done and an attempt to overcome some of the questions that were raised. What I've said to the honourable Member for Natilikmiot is I plan to pull together all the issues that arose around disabled people and try to find a blueprint where we can identify the levels of care and where they should be. But in the meantime,

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each individual disabled person is handled individually. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Supplementary, Mr. Pudlat.

Supplementary To Question 188-12(7): Financial Assistance For Disabled People

MR. PUDLAT:

(Translation) Thank you for the response from Health and Social Services. There was another question. I think I asked a two-part question. Some of them have to go to school in the communities. I know some parents have not been able to access these monies. I know one person who has a disabled child who has to go to school and has to be transported to the school. Are there any funds available for bussing in the communities so that these students can go to school? Thank you, Mr. Speaker.

MR. SPEAKER:

Ms. Cournoyea.

Further Return To Question 188-12(7): Financial Assistance For Disabled People

HON. NELLIE COURNOYEA:

Mr. Speaker, I don't know the full extent of the case of that specific individual. If the Member would like to discuss that particular individual with me, I will see what can be done. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Whitford.

Question 189-12(7): Lack Of Regulations For Commercial Divers

MR. WHITFORD:

Thank you, Mr. Speaker. Mr. Speaker, following up on my Member's statement, I would like to direct a question to the Minister responsible for safety. I would like to ask the Minister whether he's aware of the current lack of regulations concerning northern commercial divers, and if he's aware that there's a regulatory void in this area, as I outlined in my Member's statement earlier on. I would like to find out if the Minister or his department is aware that there is a lack of regulations.

MR. SPEAKER:

Minister of Safety and Public Services, Mr. Nerysoo.

Return To Question 189-12(7): Lack Of Regulations For Commercial Divers

HON. RICHARD NERYSOO:

Thank you, Mr. Speaker. Just to indicate to the honourable Member, there are presently no specific regulations concerning commercial diving. However, commercial establishments are subject to the Safety Act and regulations, and must have accident prevention plans, provide adequate protective clothing and things of that particular nature.

MR. SPEAKER:

Thank you. Item 6, oral questions. Supplementary, Mr. Whitford.

Supplementary To Question 189-12(7): Lack Of Regulations For Commercial Divers

MR. WHITFORD:

Thank you, Mr. Speaker. I would like to ask the Minister whether his department would consider looking at and establishing regulations that would define clearly the scope that is required by commercial divers; perhaps with the intention of separating the difference between commercial and sport diving. Would the Minister indicate whether or not he would consider establishing such regulations?

MR. SPEAKER:

Mr. Nerysoo.

Further Return To Question 189-12(7): Lack Of Regulations For Commercial Divers

HON. RICHARD NERYSOO:

Thank you, Mr. Speaker. Just to indicate to the honourable Member, and for the information of other Members of the Assembly, we have been working with the committee that's called the Canadian Association of Administrators of Labour Legislation Occupational Safety and Health for the last few years. We have been trying to compile common elements of three major diving regulations. It was intended that the task could have been completed in 1994, however, the work has stalled. It was our intention that we could have legislation developed by this upcoming summer.

MR. SPEAKER:

Thank you. Supplementary, Mr. Whitford.

Supplementary To Question 189-12(7): Lack Of Regulations For Commercial Divers

MR. WHITFORD:

Thank you, Mr. Speaker. I would like to thank the Minister for that reply. I would also like to ask the Minister if he would give us some assurance, when the regulations are being drafted, that his department will invite input from local residents or Northwest Territories people who are qualified commercial divers and also those who are qualified instructors for sport diving. In my opinion, it's necessary that these individuals who are seeking these regulations know the scope of rationale and expertise that would go into something like that. Would he give me assurance that they will do that kind of consultation with the stakeholders?

MR. SPEAKER:

Mr. Nerysoo.

Further Return To Question 189-12(7): Lack Of Regulations For Commercial Divers

HON. RICHARD NERYSOO:

Thank you, Mr. Speaker. As has been my tradition in this Assembly, Mr. Speaker, without any question, once we get to a point that we can bring forward appropriate regulations, I'll certainly ensure that the public is consulted on the nature of the regulations and seek their advice. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 6, oral questions. Ms. Mike.

Question 190-12(7): Status Of Federal Funding For Social Housing

MS. MIKE:

Thank you, Mr. Speaker. My question is to the Minister of Finance. In his Budget Address on February 20th, he informed this House that

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this government was successful in obtaining some federal funding for construction of social housing. However, he did not indicate how much. I would like to know how many of those dollars did our government obtain from the federal government. Thank you.

MR. SPEAKER:

Minister of Finance, Mr. Pollard.

Return To Question 190-12(7): Status Of Federal Funding For Social Housing

HON. JOHN POLLARD:

Thank you, Mr. Speaker. Through the efforts of Mr. Morin who talked with Mr. Dingwall, I believe the number is approximately \$9 million, Mr. Speaker. As far as the tags that are on that \$9 million, what it can be used for and so on, I don't believe Mr. Morin has everything worked out yet; but that's the number that he has been working on. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Patterson.

Question 191-12(7): Monitoring Assistance From Parks Canada

MR. PATTERSON:

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Economic Development and Tourism. In light of the importance of parks and tourism projects in the Northwest Territories, and in light of the fact that recently many projects have been funded jointly with the federal government -- I cite the Katannilik Park and the Pond Inlet Nature Centre as two examples -- I would like to ask the Minister if he is tracking and aware of organizational and financial changes in Parks Canada's operations in the Northwest Territories? Thank you.

MR. SPEAKER:

Minister of Economic Development and Tourism, Mr. Todd.

Return To Question 191-12(7): Monitoring Assistance From Parks Canada

HON. JOHN TODD:

Thank you, Mr. Speaker. Yes, we're tracking Park's expenditures in the Northwest Territories, as we are with EDA and any other economic departments that affect the work that we do. So we are aware of the fact that there may be some significant cuts, based upon the new budget, to operations like federal Parks, such as the EDA, CAEDS, et cetera. So we are watching very, very closely, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 191-12(7): Monitoring Assistance From Parks Canada

MR. PATTERSON:

Mr. Speaker, I'm hearing rumours from officials that Parks Canada operations in the Northwest Territories will be substantially curtailed. Offices will be closed, personnel will be reduced and, perhaps, Parks Canada will be reconsidering commitments it has made to this government to develop new parks and tourism facilities in the Northwest Territories. I would like to ask the Minister if he's prepared to intervene at the political level, particularly if Parks Canada, under the guise of budget restraint, is entertaining the idea of withdrawing from commitments it has made to the

Government of the Northwest Territories to jointly participate in parks and tourism projects. Thank you.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 191-12(7): Monitoring Assistance From Parks Canada

HON. JOHN TODD:

Yesterday Mr. Martin did outline the budget to the Canadian populace. I think it's clear, in the analysis that took place over the last evening and today, there are real cuts, as he said. The extent of how these cuts will affect Parks Canada, EDA, this government, et cetera, I think we have to carefully examine in the next two or three weeks. It will take that long for it to trickle down. I want to assure the honourable Member that we recognize the importance, particularly in his area, of parks expenditures both in capital and O and M. And we're going to be vigilant in analysing where these real cuts will take place.

But I don't think I'm in a position today, less than 24 hours since the budget was announced, to be able to tell him, in terms of project specific, if and where cuts may take place. I want to assure him that once we've done a careful analysis of the budget, I will be reporting any cuts that may be getting made outside of our jurisdiction as well as within our jurisdiction. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mrs. Marie-Jewell.

Question 192-12(7): Status Of Fire Suppression Review

MRS. MARIE-JEWELL:

Thank you, Mr. Speaker. I have a question for the Minister of Renewable Resources. I would like to ask the Minister; last year, he indicated to Members of this House that his department was going to undertake a fire review to determine how they address fire suppression. I would like to ask the Minister whether this review has been conducted and completed. Thank you.

MR. SPEAKER:

Minister of Renewable Resources, Mr. Arngna'naaq.

Return To Question 192-12(7): Status Of Fire Suppression Review

HON. SILAS ARNGNA'NAAQ:

Thank you, Mr. Speaker. Yes, the department officials have spent time in every community except Fort Smith, consulting with people in the communities to find out exactly what their concerns are with regard to our forest fire management program. The reason our staff have not been into Fort Smith at this point are the various groups in the town of Fort Smith have not indicated to the staff of the Department of Renewable Resources that they are ready to be consulted. I am hoping that very shortly we will be able to meet in Fort Smith and be able to come up with a report on the consultation. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Supplementary, Mrs. Marie-Jewell.

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Supplementary To Question 192-12(7): Status Of Fire Suppression Review

MRS. MARIE-JEWELL:

Thank you, Mr. Speaker. Can the Minister confirm whether his department did submit to the various organizations the need to meet for this particular undertaking of a fire review on behalf of his department? Was a letter sent to these organizations indicating that his department wanted to meet with them? Thank you.

MR. SPEAKER:

Mr. Arngna'naaq.

Further Return To Question 192-12(7): Status Of Fire Suppression Review

HON. SILAS ARNGNA'NAAQ:

Thank you, Mr. Speaker. I don't know that a letter was written to the various organizations in the town of Fort Smith; however, I do know that department staff have made contact with the various organizations in Fort Smith and have asked when an appropriate time would be for a meeting to be held in the town. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mrs. Marie-Jewell.

Supplementary To Question 192-12(7): Status Of Fire Suppression Review

MRS. MARIE-JEWELL:

Thank you, Mr. Speaker. Can the Minister indicate to me, were the undertakings of this fire review through private meetings or public meetings? Thank you.

MR. SPEAKER:

Minister Arngna'naaq.

Further Return To Question 192-12(7): Status Of Fire Suppression Review

HON. SILAS ARNGNA'NAAQ:

Thank you, Mr. Speaker. All the meetings that were held in the other communities in the western Arctic were all public meetings.

MR. SPEAKER:

Thank you. Final supplementary, Mrs. Marie-Jewell.

Supplementary To Question 192-12(7): Status Of Fire Suppression Review

MRS. MARIE-JEWELL:

If I can suggest, Mr. Speaker, why doesn't the Minister's department officials announce a public meeting with regard to the fire review to undertake how his department addresses fighting fires, and hold a meeting in order to avoid many of the costly efforts that his department takes at times in order to address fires? Will he undertake to just set a date and hold a public meeting on how they address fire suppression in Fort Smith? Thank you.

MR. SPEAKER:

Mr. Arngna'naaq.

Further Return To Question 192-12(7): Status Of Fire Suppression Review

HON. SILAS ARNGNA'NAAQ:

Thank you, Mr. Speaker. I believe that the department staff wanted to be sure that the people who are leaders in the various organizations in the town would have the opportunity to be able to make representations on behalf of their organizations. The

staff then decided that they would wait for all, or if not all, then most organizations in the town to be available for this public meeting.

If this is the advice that the honourable Member is making about the consultations for the town of Fort Smith, then I have no problem with that. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Mr. Speaker, I'm just wondering whether that was my final supplementary, or if I do have one more question.

MR. SPEAKER:

Go ahead, Mrs. Marie-Jewell.

Supplementary To Question 192-12(7): Status Of Fire Suppression Review

MRS. MARIE-JEWELL:

Thank you, Mr. Speaker. My final supplementary to the Minister. When does the Minister plan on this fire review? The Minister is well aware that the intention of this fire review is to try to find ways to cut the costs of fighting fires. He recognizes that his department came in last year with in excess of a \$20 million supp with regard to fighting fires.

Mr. Speaker, I'm just wondering when the Minister's department initiated the undertaking of the fire review. When do they plan to conclude this fire review in order to take the recommendations and implement them accordingly? When does he intend for this fire review to be completed? Thank you.

MR. SPEAKER:

Mr. Arngna'naaq.

Further Return To Question 192-12(7): Status Of Fire Suppression Review

HON. SILAS ARNGNA'NAAQ:

Thank you, Mr. Speaker. At the beginning of the community consultations by departmental staff, I was hoping we would be able to come out with a written report and recommendations from these consultations by today. However, to date, we still have the one

community which has not been consulted. I am hoping that we'll be able to go into the town very shortly and be able to complete our list of communities that have been consulted in this review. I hope that we will be able to come out with a report and recommendations from these consultations by the end of March. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Patterson.

Question 193-12(7): Impact Of Federal Staff Cuts On NWT

MR. PATTERSON:

Thank you, Mr. Speaker. I would like to ask the Minister of Finance about the impact of the federal budget on the Northwest Territories, particularly with regard to the cutback of federal public servants. I understand there are tens of thousands of public servants to be cut over the next number of years, and I would like to ask the Minister if he's had a chance

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to assess how those numbers shake down in the Northwest Territories. Thank you.

MR. SPEAKER:

The Minister of Finance is not here. Madam Premier.

Return To Question 193-12(7): Impact Of Federal Staff Cuts On NWT

HON. NELLIE COURNOYEA:

Mr. Speaker, I apologize, the Minister of Finance just went up to receive an important phone call, so he is unable to be here. On behalf of the Minister of Finance, I will take the question that has been put forward as notice. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Item 7, written questions. Item 8, returns to written questions. I'm sorry, Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Mr. Speaker, I had my hand up for written questions. May I proceed?

MR. SPEAKER:

Please, proceed.

ITEM 7: WRITTEN QUESTIONS

Written Question 11-12(7): Participation Of Dene Metis Holdings In The Request For Proposal Of Airtanker Services

MRS. MARIE-JEWELL:

Thank you. Mr. Speaker, I have a written question for the Premier.

Would the Premier please answer the following questions:

On September 7, 1994, the former Minister of DPW faxed information pertaining to the negotiated contract for the provision of airtanker services, item two of the August 16, 1994 letter -- which I tabled yesterday -- indicates that "The Minister of Public Works and Services report back to Cabinet, at the conclusion of the negotiations with the information item." Given Dene Metis Holdings request to formally extend negotiations, and with no responses from the Minister, did the Minister unilaterally terminate the negotiations?

What was the basis for the Minister's direct exclusion of Dene Metis Holdings participation in the request for proposal for the airtanker services? Thank you.

MR. SPEAKER:

I'm sorry I didn't recognize you, Mrs. Marie-Jewell, but in order to maintain order in the House, if we are on a different item number, then we have to seek unanimous consent to return to the item. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, replies to budget address. Mr. Koe.

ITEM 10: REPLIES TO BUDGET ADDRESS

Mr. Koe's Reply

MR. KOE:

Mahsi, Mr. Speaker. I would like to take this opportunity to make a reply to the Budget Address delivered by our honourable Minister of Finance. I would like to congratulate the Minister of Finance and the Cabinet for the work they have done in the last year. There have been difficult times within our government and within the federal system. There has

been a lot of difficulty in juggling and balancing this government's financing.

Timing for introducing budgets is always difficult and here in the north, it is no different. Mr. Pollard introduced this government's budget just seven days prior to the introduction of the federal budget. Some of us watched it on TV yesterday afternoon and last night we got copies of the speech. So, there has been very little time to try to analyze the budget and make comparisons. It is difficult to provide intelligent comments on the federal budget and its impact on our territorial budget.

All I know and can deduce from the package introduced by our Minister of Finance is that here, in the Northwest Territories, we seem to be, and are, steadily going into the hole, from an accumulated surplus of \$56 million in 1992-93 to an estimated accumulated deficit of \$38 million in 1995-96. Mr. Speaker, this is a negative turnaround of about \$95 million. After this projected deficit, there will be another \$58 million, which the Minister of Finance has stated will be the projected cuts for the 1996-97 fiscal year. If you add all this up, we have a whopping \$150 million turnaround -- all negative, in terms of straight cash dollars -- in the last five years.

However, Mr. Speaker, given this negativity, this government has done some positive things and I have to congratulate them for pursuing many of the initiatives and changes they have made in government. They've adopted many of the recommendations made by our standing and special committees. Their motto has been to try to do more with less and I guess the jury is still out on whether or not we are doing more with less. The Standing Committee on Finance has been diligent in pushing this government to ensure that effective monitoring and evaluation systems are in place to measure all government programs and expenditures.

Mr. Speaker, one of the recommendations which came out loud and clear at the recent Western Constitutional Steering Committee Conference was that governments should devolve as much responsibility and authority to the community level as possible. The conference supported four levels of government: community, aboriginal, regional and central. In this regard, this government has taken several initiatives to strengthen the roles of communities and the regions.

The community transfer initiative has been under way, although not as quickly and as much as we had

wanted to get transferred. But, the ones that are in place seem to be working. The government has devolved departments, or sections of departments, to regional levels and those seem to be in place and people employed. However, there is still a lot to do. We seem to have just touched the surface. With reshaping northern government, some of the initial initiatives that were planned for have been done, but I believe there is still a lot more to do. For the regions and especially the communities, I think more is better.

Most of the departments right now are being reviewed and reorganized. I believe this should give the Ministers opportunities to make more appropriate changes to devolve responsibilities to communities and regional levels. In this regard the Minister of

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Economic Development has taken a lead role, and I believe his initiatives should be followed by other Ministers.

I would also be remiss if I didn't congratulate this government for providing funding for some new programs and for enhancing some existing ones. The \$1 million increase to Arctic College programs and the \$3.8 million increase to student financial assistance are going to help our people get further education and, hopefully, we will have jobs for them once they graduate. We've also increased funds for services to the aged and disabled; coordinated home care programs that are going to be put into place in several communities.

The community wellness projects are starting up. These are major initiatives and are pulling communities together to work on healing themselves. There is also increased funding for business development, which I mentioned yesterday. We have to try to get more, and not bigger chunks of money, but smaller chunks of money, to more people. This will create jobs, enhance small businesses and help develop them. In the area of renewable resources, there are a lot of resources out there that we have to push to enhance and develop. Finally, we have \$1 million for a new Metis health benefit insurance program. Mahsi cho.

There is still a need to finance these initiatives and this is where we still have a problem. A big area of concern is the inability of this government to generate lots of new revenue. We are always continually rehashing and increasing the fees and services that we provide to the public. These fees and services

impact the business community and our middle-class residents the most.

I also understand, based on recent CBC radio interviews with the honourable Minister of Finance, that he is considering increasing personal income tax rates. In this period of economic recovery and growth, I would hope that our Minister takes the lead demonstrated by the federal government yesterday and does not increase our income tax rates in the upcoming year.

Mr. Speaker, I have a lot more comments on particular issues raised by the Minister in his statement, but I will pursue these when we deal with the budget on a department-by-department basis.
Mahsi cho.

---Applause

MR. SPEAKER:

Thank you, Mr. Koe. Item 10, replies to budget address. Mr. Dent.

Mr. Dent's Reply

MR. DENT:

Thank you, Mr. Speaker. Mr. Speaker, I, too, would like to take this opportunity to make some brief comments on our budget. I think there is widespread recognition of fiscal belt-tightening which will have to take place, resulting from Canada's current fiscal situation. I think in yesterday's federal budget, we got a clear indication of some of the hits that the territories will take. I know that in the past couple of years, the territories have already taken some pretty hard hits in terms of funding for social housing and funding for languages. The provinces are going to get hit harder as time goes on, but I think people have to remember that this government started taking hits a couple of years ago. It's been getting tougher and tougher all the time.

Like Mr. Koe, I would like to give some credit where credit is due. I don't think we should point the fingers of blame for reduced funding from the federal government at Mr. Pollard. I think Mr. Pollard has done a terrific job of managing the negotiations with Canada. I think he has done the best that anybody could have done in a difficult time. Having said that, I must say that I'm disappointed that Mr. Pollard chose to introduce a deficit budget.

I think we have to be very careful, given our limited potential to raise our own funds, that we don't get into the position that Canada has gotten into. We don't want to have to make those dramatic decisions to cut a significant number of civil servants in order to have any hope of dealing with a deficit. We need to stay away from accumulated deficits. I recognize, Mr. Speaker, that it is not always possible, on a year-to-year basis, to avoid a deficit. We will have years when we will have tremendous forest fire problems and there are always going to be situations that arise like that. But, we have to make sure we are setting up a financial structure that doesn't have a deficit built into it.

In order to do that, one of the things that we have to seriously consider, as the Standing Committee on Finance has indicated, is legislation to ensure that there is no accumulated deficit by the time the next government ends.

AN HON. MEMBER:

Hear, hear.

MR. DENT:

I think it's very important that we see that legislation soon, get a chance to talk about it in this House and that we pass it this session.

Mr. Speaker, it's also important that we work to loosen the ties with Ottawa. Right now, we are really at risk, as Canada has to find ways to cut its deficit. Because of the small population up here, we may be a very tempting target. I think our best potential is the northern accord. I would like to continue to urge the government to work with aboriginal groups and organizations to address their concerns. Bring them together at the table, as I know they are trying to do, and negotiate with Canada to try to conclude an agreement. I want to indicate that I support the contention of the Minister of Energy, Mines and Petroleum Resources that even if that fails, even if we don't get an accord, we must find ways to exert control so that we can ensure that when mines open up in the north, we get benefits for northerners.

Mr. Speaker, I think that one way in which this government has responded to the concerns expressed by the Standing Committee on Finance and the Special Committee on Health and Social Services has been setting up the envelope committees. I think this is a good step. I think that, in the long run, these committees will help this

government achieve much better fiscal planning and stability. A concern, though, is having put these envelope committees in place -- and especially the Social Envelope Committee in place -- and having presented a budget supplement document to the Standing Committee on Finance, we are left to say, where's the beef?

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The standing committee expected that we would see some clear identification of how the government was going to respond to our call for balance between social issues, infrastructure and economic development. Yet, in the budget and budget speech, we found no identification of funds. The standing committee, over a year ago, demanded to see some action. The Special Committee on Health and Social Services, a year and a half ago, demanded to see some action. There has been clear evidence in this House that Members wanted to see considerable movement by the government in this area. The budget should have included the supplement.

AN HON. MEMBER:

Hear, hear.

MR. DENT:

Whether this required shifts in priority to fund it, or new revenue initiatives, it should have been in the budget.

Mr. Speaker, I would like to address a few issues, more specific to departments than the broad budget, that are areas of concern to me. I think all Members of this House have some concern about the number of initiatives that the government seems to be taking on and whether or not the resources are available to complete them. For instance, the reorganization and amalgamation that is taking place in the Financial Management Board Secretariat. It is now a much larger agency and it may be trying to do too much. Here's a clear example: After hearing an extensive presentation a year ago about what was planned over the course of the next few years, this year we were told that the program evaluation task will not be expanded.

Mr. Koe just pointed out that it is very important to have program evaluation. It is something that the Standing Committee on Finance and Members of this House have been harping on for the last three and a half years. Something like program evaluation not

being expanded really causes me concern because as times get tougher fiscally, we need a good tool that will help us decide what programs deliver the best value for money spent. The program evaluation task could have helped ensure that we make the right choices. Now, we don't have that tool.

Another area that I think we're going to have to take a look at has to do with contracts. Again, this has to do with the fiscal climate that we face. The government is currently undertaking a review of the business incentive policy and I think we're really going to have to take a look at it closely. Is it needed in all areas of the Northwest Territories? Does it do today what it was supposed to do? Does it meet the original intent? I'm not so sure that it does. I understand what the original intention was and I think it was something that was important. If it is decided that it is still an effective tool for business development in the Northwest Territories, then I think it is imperative that we provide full disclosure of evaluations under the business incentive policy. These are public funds that we're expending; we must show the public why the decisions are being made.

Another area we're going to have to examine, as the fiscal climate gets tighter, is the number of contracts, especially large contracts, not being publicly tendered. Mr. Speaker, there's a need for balance. I recognize that negotiated contracts may be worthwhile in some places but I would like to point out that other than through public tenders, there is no way to ensure you're getting the best value for money. There is always a risk, no matter how good a department estimate is that the negotiated price will be higher than might have been obtained through a tender. Another concern is the capacity of the company to do the job. We have had some expensive failures. While the risk may be judged acceptable for some projects, I am concerned about taking that risk with some of the larger projects. Mr. Speaker, it's hard to buy the Public Works and Services argument that they check companies thoroughly, when we have had some expensive failures.

Another thing that we have to take into account is the long-term effect on existing businesses. Can the north support all of the businesses that we might be developing? Perhaps we could write provisions into tendered contracts to ensure that there are local or northern benefits, or perhaps we should only tender to northern companies. As money gets tighter and tighter we may be forced back to the tender process, in any case, to ensure that we get the maximum value

for dollars. Only then, Mr. Speaker, we may find that there are no northern companies left to do the job.

Mr. Speaker, another area I would like to address is the revenue initiatives in the budget. I understand the need for revenue initiatives and I am generally supportive of the ones in this budget. But there's one that I have had some calls about and I expressed some concerns about in Standing Committee on Finance, and that is the Health and Social Services co-payment increase to \$250 for a return trip. Mr. Speaker, this revenue initiative hits those who can least afford it the most. I think it is a very unfair way to raise revenue. The people who are most penalized are the working poor, especially someone who must receive a series of treatments down south. I would like to point out that it's much more than an inflationary increase, this is an increase that goes two and a half times its current level. It's also discriminatory. The numbers of people, we are told, who will be affected are small but I'd have to question, has this government lost sight of the need to care for the individual? How can we justify a measure that will seriously impact a segment of the population by saying, well, it only affects a small percentage. I'd like to point out that in the Yukon and in Manitoba, there's currently no co-payment charge for emergency services if you have to medevac south. I will be strongly supporting the Standing Committee on Finance recommendation for a cap on these co-payments but would also like to urge the government to reconsider. For the amount of total funds that this revenue initiative will raise, I'd like to strongly suggest that it be reconsidered totally.

Generally speaking, Mr. Speaker, I think that the budget is a reasonable document. As I said earlier, my one concern is that it does represent a deficit and I think that we should not be introducing deficit budgets. I think that too often we run the risk of unforeseen events throughout the course of the year causing us to get into problems. Starting out with a plan to go into a deficit is not the best way to go. I'm looking forward to hearing from the Minister of Finance when he meets with the Standing Committee on Finance to talk about what he might see as possible changes. I would encourage him to take a look at this budget again and see if there aren't ways in which we could reallocate some funds, perhaps reallocate some priorities, perhaps make some changes, and make sure that we don't drive up the deficit this year. Thank you, Mr. Speaker.

---Applause

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MR. SPEAKER:

We'll take a 15-minute break.

---SHORT RECESS

MR. SPEAKER:

The House will come back to order. Item 10, replies to budget address. Mr. Ballantyne.

Mr. Ballantyne's Reply

MR. BALLANTYNE:

Thank you, Mr. Speaker. First of all, I would like to compliment the Finance Minister on the budget. I think it was a very careful budget, and the Finance Minister tried his very best to balance all the different demands here and also in Ottawa. I think that before people criticize this budget too much, they should probably put it in some perspective. What we didn't do is we didn't cut our social programs. We're the only jurisdiction in the country that hasn't cut their social programs; in fact, there is a small increase to the social program as we knew it last year.

Also, the union should take note of the fact that we haven't cut the bureaucracy. With what happened in Ottawa yesterday and what has happened across the country, there should be some recognition of this government's record of the past number of years, as again I think we've been more than reasonable with our civil servants and we're the only jurisdiction in the country that hasn't had drastic cutbacks of the civil service. I would like to hear occasionally union leaders acknowledge that, because if they don't like it here there's nowhere else in the country to go. I think here in the Northwest Territories is the best place right now to be a civil servant.

The one warning bell in this budget is the deficit. The deficit is a small one and a manageable one. I know the Finance Minister is concerned about it, I've heard him say that. I think we're all aware of how fast accumulated debt compounds. So I hope that the government and the Finance Minister pay some heed to the recommendation of the Standing Committee on Finance to bring in legislation which limits the opportunity for accumulating a debt for between now and division. Although \$38 million in a \$1.1 billion budget is not a lot, that \$38 million can change into \$250 million very, very quickly, as every other jurisdiction in the country has found out.

So I don't have to remind the Minister, the Minister is quite responsible in this area. He's aware of it, and I just want to express my concern on public record that we have to keep this particular concept of debt under control.

On the revenue side, for those on the other side of the equation, those in businesses who are quick to judge and quick to blame, the reality is there are no taxes. So this budget really defies any ideological labelling. I think it has tried very hard to present a balanced non-ideological approach. So we still maintain, by far, the lowest tax rates in the country and we do this in spite of the fact that there is increasing pressure on the Finance Minister and on the government by the federal government, by their clause in the formula financing agreement, to raise our taxes.

So I think although the government didn't raise taxes this time, I think we should be quite forthright and say that at some point, because of this tremendous pressure from Ottawa, this government is going to have little option than to raise taxes somewhat to bring them a little more in line with southern jurisdictions. But I compliment the government for not doing it this time.

There was a fair amount of comment in the Finance Minister's address to do with the northern accord. I guess a northern accord really is a metaphor for self-sufficiency and a metaphor for new streams of revenue. I basically believe that the federal government's budget that was presented yesterday contained no surprises, but it should be a wake-up call. I think our government did quite well to minimize the decreases to some \$55 million over two years. I think that's the best that we can expect. But I think that that should put us all on notice that the very favourable arrangements we've had with Ottawa over the past 15 years are going to be changing. I think we have to be aware of that, and I think everybody in the Northwest Territories can look at this budget as a respite from what we're going to have to deal with and what we're going to have to prepare ourselves for.

So I, for one, think it's very important that the Minister of Energy, Mines and Petroleum Resources tries to conclude an arrangement with the aboriginal leaders this summer; however innovative that arrangement can be, because I think there's lots of room for an innovative approach, I think the bottom line is that we want to ensure that the revenues and the control of oil and gas and mining rests here in the Northwest Territories.

At some point in the future, we'll decide how we're going to divvy up those responsibilities and those revenues. But whatever the process is, even if it means we bring it out and put it a trust fund until we can figure it out, I think it's important that we do that. Even if it means that the Minister of Energy, Mines and Petroleum Resources and the Finance Minister sign arrangements with individual aboriginal groups that there's no way that a northern accord will take away from any arrangements that they will make with the federal government, whether it's through treaty negotiations or whether it's through self-government negotiations.

But I hope that this budget does act as a bit of a wake-up call for all of us. And at the end of the day, it's really in our interest that we gain control of our own resources.

So I would like to see a northern accord and mining accord concluded by this fall, before the election. I would like to see the formula financing agreement concluded by this fall, before the election. I think it would be a shame if the work that has been done on both of these is lost, and that the next government with new people and with trying to build a new consensus has to start over again because we could lose a lot of valuable time and effort. So I see this government as having a very serious responsibility in the next six months to try to conclude both of these initiatives.

I also think it's very important that the government and the Finance Minister follow up on the Standing Committee on Finance recommendation for a transition plan. I, for one -- and this is only a personal point of view -- think that the next government and Legislative Assembly is going to take place during a very, very difficult time. Simultaneously, I think what's going to happen is there's going to be increasing fiscal pressure by the federal government cutting back; there's going to be tremendous political

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pressure motivated by division; and, as division comes closer that will start to dominate the political agenda. I think anyone who thinks differently is perhaps being a little unrealistic because it's inevitable with something that profound, that big a change is going to happen here in the territories that there will be concern on either side that it's done fairly. I really think that it's going to be a tremendous challenge of the next government and Legislative Assembly to be able to carry out their duties with that

tremendous pressure of division hanging over their heads.

I also think that the next government is going to be facing tremendous challenges in the west, as the parallel courses of self-government and public government start to come together, start to take some shape, to take some form. That will again be an interesting challenge for the Legislative Assembly to provide the continuity and to provide the forum where many of the problems which will inevitably occur can be resolved. So I think it's key that this government prepares the groundwork for the next government with a northern accord and a formula financing agreement.

Mr. Nerysoo has a number of negotiations with the federal government and the whole concept of employment strategy and alternatives to welfare, education. I hope over this summer that Mr. Nerysoo will conclude some successful negotiations with the federal government in many of these very, very important areas.

I think if this government can finish their mandate over the next few months by concluding some very important discussions and negotiations, I think they will have provided a tremendous service to the people of the Northwest Territories.

As I said, the federal government's budget contained few surprises. I, for one, believe that Minister Martin had very little choice but to take the harsh steps that he took. I think anybody in the Northwest Territories who thought we would be spared from those decisions was being unrealistic. There should be no doubt in anybody's mind that we will share the burden of trying to wrestle down the debt. I also think there should be no doubt in anybody's mind that we have a responsibility to do that. I, for one, can't criticize Paul Martin for the steps he has taken.

I think the budget was a reasonable budget. I think it did the most important thing it had to do. It reassured the money markets that Canada is not the Third-World basket case they were talking about a month ago. From what we've seen so far, and we obviously haven't seen the details, we haven't been treated any worse than anybody else. In fact, some would say we've been treated very fairly in these times. I think it's really important with the cuts we have for the Premier, the Finance Minister, and the Minister of Energy, Mines and Petroleum Resources to make the point that we've talked about for so many years, the point of self-sufficiency.

We don't have a problem helping the federal government wrestle down the debt, but what we want in return is means for us to be more self-sufficient, so we will be less of a drain on the federal government. I think the Finance Minister's approach to the federal government, of cooperation rather than confrontation, is the only approach we can take. I think in the former age of political heroes it would be fine to see the Finance Minister ranting and raving but at the end of the day, it won't mean anything because a lot of jurisdictions much bigger than us are ranting and raving and they're not getting anything. I think we should bite the bullet, acknowledge the reality and do our very best over the summer to maximize whatever gains we can make. I think if we do that, this government can leave a good legacy from their four years in office.

The one concern that reinforces the things I've been saying about the need for us to take over as many programs as we can and the need for us to become more self-sufficient -- and I brought this up before when I used the Quebec example -- is whether Quebec stays in or out. To me, it inevitably means a lessening of the power of the federal government. If they're out, the remaining jurisdictions will be in a dogfight to see how the country will come together. If they're in, just as Paul Martin said he would do by turning over block funding for education, health and social services to the provinces, again, the federal government's power and influence diminishes. We, of all jurisdictions, are by far the most dependant on a strong federal government.

The experts across the country are all saying that, so we have no excuse not to see that the power of the federal government is diminishing and will continue to diminish. We cannot live in a fool's paradise thinking that the status quo will remain for the next decade because it won't. We have to take every step that we can, every single initiative we can, to bring power and authority here to the Northwest Territories. If we don't, I see us being extraordinarily vulnerable to whatever happens across the country. I will tell you, I believe lots of things are going to happen across the country.

Just a few thoughts for the future which came out of the constitutional conference here in the west; there really seems to be a consensus on a few important things. One is the importance of communities to take over responsibility for as many things as they are capable of. I think it's very important that we take a new look at the policies we have for community transfer to see if we can speed it up, make it more

efficient, and build some credibility into our process. As we all know, there is a lot of frustration that goes along with the community transfer process. I'm not blaming anybody. It's a difficult process at the best of times, but I really think we have to look at ways to break the gridlock that we find in the process if we are to build credibility for some kind of a central government here in the west.

My colleague, Mr. Dent, brought up the ongoing perception of a problem with negotiated contracts.

I am on record as saying that I think there is a time and a place for negotiated contracts. I think what is happening is something that was predicted by some of us when this government got into contracts in a bigger way. Negotiated contracts can work, in some cases, if you have one business in a community that is able to hire the local people to do the work. Now what's happening is there are two or three businesses in a community who all think they should get it, and the two who don't get it are really unhappy because they think there is political interference. So, at the end of the day, you are probably going to have to publicly tender negotiated contracts.

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What people forget is, at the beginning, the reason for a public tendering system isn't only because it is the fairest and because it protects the public interest, it also protects the politicians. Because there is a set of rules that everybody understands and it is a set of rules outside of politicians' influence. The politician can step behind the rules and say I'm not going to favour you, you or you. These are the rules; whoever wins fair and square gets the contract.

---Applause

Again, it's a matter of finding a balance. Because there are times and opportunities where a negotiated contract makes sense. Maybe we should be looking at limiting the percentage of negotiated contracts and limiting dollar value so that anything over \$1 million should go out to tender. There are some ways of doing it. A lot of people are using it as a metaphor for community fairness and for protecting communities. That's not what I'm talking about. Anything we can do so there are more opportunities for jobs and businesses in the communities, we should do. My point is that the negotiated contract is not the only tool.

Even though some of us will ride the white charger of negotiated contracts, at some point, they will be riding that charger out into the sunset because it won't work anymore. You are going to have to have so many bureaucrats to keep the politicians from getting into trouble, so any money you may have thought you were saving is long gone. At some time, I'll ask about how many are reviewing all the negotiated contracts. Anyway, just some thoughts on that. I really think, in everybody's interest, that we should have a good look at it and probably have a few more rules to govern how it happens.

Another thought, and this is probably more appropriate here in the west than in the east -- and I'm not saying that right now this government should do it -- I would like to see, as part of the transitional plan, aligning the regions in the west to existing political regions. We are running into many problems right now. At the end of the day, we are going to have to recognize political regions. We should look at having our government respond to political regions and making them into administrative regions. I think we should start looking at that right now because I think that would take away some of the frustration.

Mr. Speaker, those are just a few ideas and thoughts I have about the budget. To sum up, I thought the government did a good job with the budget. I really believe that people in the territories have to recognize the incredible number of conflicting pressures that are on our government at any given time and that putting together a budget trying to address all those conflicting pressures is a very, very difficult process.

MR. SPEAKER:

Mr. Ballantyne, your 20 minutes are up. Would you please conclude.

MR. BALLANTYNE:

If no one else thanks the Minister of Finance, Mr. Speaker, I will thank him now for a good job. Thank you.

---Applause

MR. SPEAKER:

Item 10, replies to budget address. Mr. Patterson.

Mr. Patterson's Reply

MR. PATTERSON:

Thank you, Mr. Speaker. Mr. Speaker, I guess I'm not going to leap to my feet to thank the Minister of Finance yet. I think he's done a difficult job as well as possible, and the budget that was presented earlier this session is finely crafted, I will acknowledge that.

However, Mr. Speaker, for my constituents, some decisions made by this government that predated this budget are far more important and had a far more devastating impact than anything that was announced in this session. I refer to the social housing rent increases and the staff housing rent increases. Mr. Speaker, there's no way of measuring the effects of these policies in our communities. We're just beginning to see some of the impacts of the apprehended increases in the social housing rent scales. As far as the increases to staff housing rent, we'll never know how many people were discouraged from seeking employment with the Government of the Northwest Territories or left employment with the Government of the Northwest Territories because of the hardships that have been wreaked. I know, Mr. Speaker, the policy was adjusted, I know it may still be adjusted, I know that there was a so-called hardship allowance put in place, but I have to tell the Minister of Finance that although these two initiatives will produce some revenues for the Government of the Northwest Territories and may have contributed to the praise that's being offered on his budget, the social and human cost has yet to be tallied up. People in Nunavut are saying these two initiatives were a double hit.

Mr. Speaker, people in my constituency are asking how this government can justify collecting -- not just from the head of the family, but from total household income -- up to 30 percent of income towards social housing rent scales when banks in this country, when adjudicating eligibility for a mortgage, would never risk having that high a percentage of the household, of the family income, go towards paying the rent. Mr. Speaker, we've taken the hit in Nunavut already and, in some respects, those two major initiatives have overshadowed the budget that was presented to this House earlier this session.

Mr. Speaker, I'm not naive about the need to make cuts and to restrain government spending, but my advice to the Minister of Finance, the Premier and her Cabinet is that when cuts are necessary and when they're being implemented there are ways of implementing cuts and there are ways of implementing cuts. I'm not satisfied, Mr. Speaker, when I look at the reorganization of MACA, which I think was driven by the need to reduce headquarters

spending and person-years; when I look at the plans for reorganizing the GLO positions in the Nunavut communities; when I look at the plans to revise the funding for student residences in the regions, I'm not sure if the government is implementing those fiscal changes in a way that is thoughtful, in a way that is planned, in a way that is incremental.

Mr. Speaker, I want to encourage the Minister of Finance in implementing these cuts to do so in a way that maximizes the existing resources, takes a logical approach at looking at other ways of supporting some of these essential services, and considers the

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human element. I think all too often we have not considered the human element. Even though this government's had a long tradition of being considerate of its employees, now that we're in more difficult financial circumstances and tougher decisions have to be made, I think somehow that reputation is suffering in the rush to implement financial restraint.

Mr. Speaker, a couple of other points made by other Members I'd just like to endorse: I think it's critical that balanced budget legislation be adopted by this government during the life of this Assembly. I agree with Mr. Ballantyne that with the imminence of division of the Northwest Territories, with added financial pressures that we now know will be upon us from the federal government, it's critical that this Assembly which has been more or less spared from the severity of these financial pressures, leave a legacy of balanced budget legislation. I think now is the time to do it and I think it's critical that it be done well in advance of the very difficult and perhaps confrontational negotiations and discussions about fiscal matters that are going to intensify as we approach April 1, 1999. This is in the interest of the new western territory; it's in the interest of the Nunavut territory that those territories not be talking about the division of significant liabilities as well as the division of assets. I'd like to just echo the recommendation of the Standing Committee on Finance, on which I'm privileged to serve, that this matter must be dealt with this session and that I consider it a critical part of our budget deliberations during this session. I'm prepared to support a private Member's bill if the Premier and the Minister of Finance cannot get support from Cabinet to move ahead with this critical piece of legislation.

I would also like to say that I think it would be responsible if there was a thoughtful transition plan

developed. I think it did benefit the current Legislature that there had been some considerable work done. I think it allowed our new Legislature to get some work under way quickly so that the changes that we've now seen being implemented in terms of departmental reorganization, consolidation, achieving efficiencies by rationalizing departments and department functions, these have actually been able to be accomplished in the life of this Assembly. If we don't have good advice for the next Assembly about what are the critical issues that should be pursued, they may not have that advantage of being able to continue the momentum. Now, of course, Mr. Speaker, it's up to the new Assembly whether or not they take that advice, but I think we can provide them with the benefit of our experience and it will be probably be gratefully received.

Mr. Speaker, the last major point I wish to make has to do with social issues. Mr. Speaker, when I ran for office in 1991, I was running against a former superintendent of Social Services for this territorial government in the Baffin region. She ensured that the social issues were prominent in the election campaign. But I also want to say that the people of my constituency impressed upon me that social issues came before everything else.

Mr. Speaker, I made pledges to my constituents that I would make social issues a priority. I informed my constituents of my first belief, which hasn't changed, that if we don't have healthy families, if we don't have

have healthy communities, all the political, constitutional and economical development in the world will pass us by.

So, Mr. Speaker, not that political, economic development and constitutional development aren't important and aren't of great interest to me, it's just that unless we're well and ready to take up those opportunities others, not northern people, will benefit from those developments.

We got off to quite a good start, I think, Mr. Speaker, after the 1991 election. A Special Committee on Health and Social Services was appointed, toured widely, didn't spend a lot of money but came up with, I believe, a very sound and practical blueprint for social change and progress. Following the tabling and adoption of the special committee reports, I think we lost some momentum.

To my mind, one of the reasons the social issues were neglected, frankly, Mr. Speaker, was the crippling turnover of Ministers in both Health and Social Services. I was one of those short-term occupants of those portfolios and it was a very frustrating exercise because there was just barely enough time to begin to see the problems, begin to develop a plan, and I was history and another poor soul was taking up the challenge. I think these were circumstances that no one planned, particularly.

But the end result, Mr. Speaker, was that the social issues were neglected. We saw some evidence of this in the capital budget of 1993 when, after the dust settled, we found to our surprise that it seemed the major priority for the Government of the Northwest Territories was transportation. This was a great credit to the dynamic, aggressive and -- as I heard him called today -- "spiffy" Minister in that portfolio, Mr. Speaker. But somehow I believe that hard programs like transportation and even public works won out in the debates in the budget preparation over the soft programs in social services; the ones that I think most of us really know are fundamental to the needs of the people of the Northwest Territories.

Mr. Speaker, we made a little progress in the development of this year's budget when the Minister of Finance decided to develop envelope committees. I was especially pleased to see that this year in the O and M estimates, we've actually seen that there has been an increase of over \$36.6 million in both capital and O and M spending in the social envelope compared to 1994-95. I don't think this is a matter of Ministers in the Social Envelope Committee winning over other Ministers; I think that it's a matter of adjusting priorities to what we all understand are some pretty fundamental needs in our communities. So there is an overall increase in the coming year in the Social Envelope Committee, and I think we're now starting to make some progress.

However, Mr. Speaker, if we look closely at what the departments of Health and Social Services have been actually able to do to meet the urgent recommendations of the Special Committee on Health and Social Services, we only find that the surface is just being scratched. I note that all we have budgeted for, in terms of some of the new initiatives recommended by the committee, are pilot community-based mental wellness projects in select communities; \$200,000 to provide training programs in the prevention of suicide.

Mr. Speaker, I think we all know that a lot more is going to be needed. The good news is that the department has developed a community wellness strategy based on the fundamental truth that we all understand, which is that communities can look after themselves far better than anyone else, that the very good efforts of the government bureaucrats and professionals to help communities from the top-down from outside have not really worked. Mr. Speaker, we're now well placed to harness the resources and the energies of those communities to tackle their own problems.

The only problem, Mr. Speaker, is that perhaps because this wellness strategy has only been developed in recent months and is just being formed and finalized, sufficient monies to implement it are simply not in the budget that is before us. I think we should commend the Premier and the Minister of Finance for being upfront about this; that there was a community action plan or a supplementary social envelope budget amount that was discussed by Cabinet; but, for one reason or other, didn't make it into the main estimates.

There was also some uncertainty about the effect of the federal government, which was also an unknown that perhaps made everyone nervous about committing the sum of \$3.3 million that has been identified.

I would say now, Mr. Speaker, that the early indications are that although there are certainly no new dollars in the federal budget and there will be pressures, we will, at least in the coming year, be spared the worst impact we might have feared.

So, Mr. Speaker, my recommendation -- and I guess the most important recommendation I'd make in this reply to the Budget Address -- is let us, now that we know all the facts, now that we know the impact of the federal budget, have the courage to make the community action plan a first call on the supp reserve. I know that the supp reserve has been set aside for inflation, for forced growth, for lapses and other important fiscal considerations, but I would like to say to Members of this House and the Cabinet, I think social issues are even more important than keeping up with inflation. I think we should have the courage to say that we are willing to risk making social issues a first priority over inflation, over allowing for lapses, over some of the fiscal categories that make up the supp reserve. I would urge the Cabinet, who I know is considering this issue tonight, to do the right thing. Finish off the good work this Assembly has done in

preparing for a community action plan that will finally start to seriously tackle the social issues that are eating away at our communities and impeding social, economic and political progress, by agreeing that this \$3.3 million will be our first charge on the supp reserve that is within this budget.

I, for one, Mr. Speaker, will not be satisfied to put this budget to bed without assurances that that community action fund will be financed. The plan is there, it is crystallized, we will have a chance to debate it in this session. Everything I know about it is a very sound work because it is based on community strengths and resources. So, let's find the money to make it work and make the budget complete. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER:

Thank you. Item 10, replies to budget address. Mr. Antoine.

Mr. Antoine's Reply

MR. ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, this is the last budget of this Assembly, and I just wanted to make a few comments about it. First of all, I would like to congratulate the Finance Minister, Mr. John Pollard, on introducing this budget to this House. I know he and his staff have worked hard to put this together. In this time of fiscal restraint, it is a very fine balance one has to take in delivering such a budget. I would just like to say, Mr. Speaker, that Mr. John Pollard has worked very well with the Standing Committee on Finance and with different Members of this House. I would like to say that he has been upfront and doesn't hold anything back from us. I appreciate that very much. He took all the concerns that we have very seriously. However, it took him a little while before he took SCOF's advice on the package approach. I think once he adopted it, it paid off some dividends.

I don't like a deficit budget, as well, Mr. Speaker. I much prefer a balanced budget, which I have said in the House on previous occasions. The reason for that is the danger it will place on future Legislative Assemblies. It also impacts on future generations. Once we have a deficit budget, it will be very easy to slip into a bigger deficit. In the Finance Minister's Budget Address, he mentions a \$40 million figure.

That can be compounded very quickly into a much bigger debt, so, there's a danger in that.

With division coming up in 1999, a deficit will create a major problem, especially if we have to divide the deficit. Beginning two new territories with deficits and diminished revenue will create major problems in the future.

With that in mind, the Standing Committee on Finance has recommended a balanced budget by March 31, 1998. Yes, it will be very difficult to do, I agree. In the federal budget speech yesterday, we were told that we are going to take a major hit, something like \$58 million total -- \$8 million this year, and \$50 million in the future -- which puts us in a great deficit position already. With that in mind, I agree it will be a tough decision to make. Tough cuts must come from the leadership of the government.

I would like to make a recommendation. The Minister said publicly that he would meet with Cabinet tonight and with the Standing Committee on Finance tomorrow morning to give us more detail on what the federal budget's impact is. I would like to suggest to him to go further and establish a consultation strategy that would allow community leaders, aboriginal organizations, chambers of commerce, social agencies, municipal governments and other people to become involved in our fiscal planning.

I say this, Mr. Speaker, because in my community travels, I have been upfront with everybody about our source of revenue, how much revenue we get from Ottawa, how much we raise on our own in the form of taxes, general revenues, program financing and transfer payments. We know about all this. Once you talk about government, you are talking about money. You need money to run governments. The source of funding is key. If we don't have the money, then we can never provide the types of programs and

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services we are here to provide to the people who put us here.

It's important to be upfront with the people of the communities, not to hold anything back, and to get them involved in this process. I think it is going to be tough enough for the government on its own, or for all of the Members here in the Assembly, to decide where we should make cuts. I think people in the communities have heard we are going to be making cuts and I think they should be involved in some sort

of consultation process. I would like to make that recommendation here to this government and specifically to the Minister of Finance.

Over the last couple of years, we've already taken a \$49 million hit from the federal government, in the form of cutbacks to the housing program. So, we might be able to manage \$58 million if we put our heads together and try to figure out how we can deal with it in the future.

In the Finance Minister's Budget Address, he made a comment that the economy is well and that it has grown over the past years. I'm certain that it will grow even bigger in the future with the diamond mines that are potentially going to open in the north. We are going to have an opportunity to perhaps generate revenue from that. I applaud the Minister responsible for Energy, Mines and Petroleum Resources, who is working hard to try to get the aboriginal organizations together on the northern accord so important resources are under the control of northerners. I think everybody who is at the table is sincere in their belief that important revenue resources should be controlled by northerners. People in the north have to control this. In the last few days when we have dealt with EM&PR, the Minister of that department commented that even if we get a northern accord, the control still remains in Ottawa. We have to do some work on that, as well.

We have been talking about a sustainable economy. I would like to get specific and talk about my constituency, Mr. Speaker; we have high potential for economic sustainability: tourism provides major income for my region. We have the Mackenzie Mountains, the Nahanni National Park and the surrounding area is equally as spectacular to tourists. The Nahanni Ram area is a world-class site. Tourism has been good in my area. People from all walks of life and countries have been there and many more want to come so it is a very important resource for us. In the budget, I noticed that there is a huge cut in the area of tourism and marketing. Over \$1.5 million has been cut and I'm very concerned about the kind of impact this will have on the tourist potential in my area and in other areas in the north, Mr. Speaker.

I would like to also comment on big-game hunting, which is in my area, as well as right down the western part of the Northwest Territories in the Mackenzie Mountains. We have a lot of game there and there are big-game hunters who operate out of that zone. I certainly would like the government to look at that to see if people in the north, specifically people in the

communities closest to these zones, would have opportunities to gain access to big-game outfitting in that area. Here, big dollars are spent. I think this is the only place in North America, where big game is hunted quite freely. In other parts of North America there are a lot of restrictions and people who come into that area have to pay a large sum of money to operate out of there so I'd like to see some real close investigation into this area to see if we could gain access to that important income for my area.

There's logging that is beginning in my area as well, Mr. Speaker. In Fort Liard, there were some test cuts and they were experimenting on what type of logging will be best suited for my area. As you know, in the Liard area we have a lot of forests with big trees and there's real potential there. With the high price of lumber, there's a good opportunity for people in that area to develop sustainable types of economies with the logging, as well as the potential for a sawmill in that area. With the increase in the stumpage fees, I have a problem with that because even now the people who cut wood for a living in my area as well as your area, Mr. Speaker, have a difficult time with the stumpage fees and with an increase in that and, especially for the fledgling logging economy, it's going to have a very big impact on them. Instead of charging them more to cut the trees, they should be encouraged to develop this new type of economy that has big potential in the north.

AN HON. MEMBER:

(Microphone turned off)

MR. ANTOINE:

I have a problem with reforestation because if you go to my area, you have the trees that just grow naturally; you don't need to plant them so there's no cost in that.

Mr. Speaker, another area that I would like to touch on is where we are today; this government has changed quite a bit since our term began. This is the last time that we will meet here to talk about the budget. There's been amalgamation, there's been downsizing, and there have been a lot of different types of initiatives that the government has done to date. I would like to commend the government for that. I think they've made some very tough decisions and some very hard decisions to try to make the government more efficient and more effective.

We're here, Mr. Speaker, to provide programs and services to the people in the communities and one way of doing it is to try to operate as efficiently and effectively as possible. I think the government has achieved some of that by amalgamation and downsizing. This amalgamation and downsizing was as a result of the previous government's Beatty report. That was transition planning. One of the recommendations that the Standing Committee on Finance made is "...this government and this Assembly develop some transition plans for the new government that will be coming into place." There are a lot of initiatives that this government is working on such as in Mr. Nerysoo's job, where the Finance Minister mentioned that he has a lot of work to be done in terms of the northern accord, oil and gas, the minerals, potential diamond mines; we have a lot of things on the go here and if we don't have a plan in place for the next government, whoever gets elected and sits here next year, they're going to have a difficult time starting from scratch. The recommendation from the Standing Committee on Finance is intended to help whoever will be sitting in these Chambers, whoever is going to be in the government, and mainly for the people of the Northwest Territories who we're here to provide programs and services for.

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We should be thinking ahead because we have a younger generation coming up and we're trying to make life good for everybody in the north, not only today while we're elected but in the future as well. With that, I would like to say that this is a good resolution that came from the Standing Committee on Finance for looking into the future.

With that, Mr. Speaker, I just wanted to once again congratulate the Minister of Finance for his budget report. I really appreciate working with him as the chairman of the Standing Committee on Finance. Mahsi.

---Applause

MR. SPEAKER:

Thank you, Mr. Antoine. Item 10, replies to budget address. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. Mr. Ng.

ITEM 14: TABLING OF DOCUMENTS

HON. KELVIN NG:

Thank you, Mr. Speaker. I'd like to table Tabled Document 38-12(7), a letter from the Coppermine HTA-Webb Ltd. to our Minister of Justice, outlining their concerns regarding the proposed federal gun control legislation. Thank you.

MR. SPEAKER:

Thank you. Item 14, tabling of documents. Item 15, notices of motion. Mr. Koe.

ITEM 15: NOTICES OF MOTION

Motion 11-12(7): Dissolution Of The 12th Legislative Assembly

MR. KOE:

Mahsi, Mr. Speaker. Mr. Speaker, I give notice that on Thursday, March 2, 1995, I will move the following motion:

I move, seconded by the honourable Member for Hay River, that this Legislative Assembly request the Governor in Council to dissolve the 12th Legislative Assembly of the Northwest Territories by August 31, 1995 to permit a general election to be held on October 16, 1995.

Mahsi.

MR. SPEAKER:

Thank you. Item 15, notices of motion. Mr. Antoine.

Motion 12-12(7): Allocation Of Funds From The 1995-96 Supplementary Funding Reserve To Address The Initiatives Contained In The Social Envelope Committee Document

MR. ANTOINE:

Thank you, Mr. Speaker. I give notice that on Thursday, March 2, 1995, I will move the following motion:

I move, seconded by the honourable Member for Yellowknife Frame Lake, that the Executive Council give earnest consideration to allocating \$3.2 million from the 1995-96 supplementary funding reserve so as to address and implement the initiatives contained in the document "Budget Supplement 1995-96, Social Envelope Committee." Mahsi.

MR. SPEAKER:

Thank you. Item 15, notices of motion. Item 16, notices of motions for first reading of bills. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in committee of the whole of bills and other matters: Bill 1, Appropriation Act, No. 2, 1995-96; Committee Report 2-12(7), Report on the Legislative Action Paper on the Office of Ombudsman for the Northwest Territories; Committee Report 3-12(7), Report on the Review of the Legislative Action Paper Proposing New Heritage Legislation for the Northwest Territories; and, Committee Report 4-12(7), Report on the Review of the 1995-96 Main Estimates, with Mr. Lewis in the chair.

ITEM 20: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

CHAIRMAN (Mr. Lewis):

I would like to call the committee to order. What would the committee like to do this afternoon? Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. I would like to recommend that the committee continue considering Bill 1 and Committee Report 4-12(7), specifically to consider the budget of the Department of Transportation. Hopefully, if the Minister's remarks are shorter than yesterday, we might get through it.

CHAIRMAN (Mr. Lewis):

Thank you very much, Mr. Dent. Does the committee agree that we deal with Bill 1 and Committee Report 4-12(7), specifically to deal with the Department of Transportation?

SOME HON. MEMBERS:

Agreed.

---Agreed

Bill 1: Appropriation Act, No. 2, 1995-96

Committee Report 4-12(7): Report On The Review Of The 1995-96 Main Estimates

Department Of Transportation

CHAIRMAN (Mr. Lewis):

Mr. Todd, would you like to make some opening remarks on this department?

HON. JOHN TODD:

Thank you, Mr. Chairman. Yes, I would. I would suggest to the honourable Member that if his comments are as short as mine, we will definitely will get through the budget.

Minister's Introductory Remarks

Mr. Chairman, Members of the Legislative Assembly, you have before you today the Department of Transportation's proposed O and M budget for 1995-96.

As the Members look through the budget proposals, I am sure they will appreciate that this has not been an easy budget to prepare.

The Department of Transportation's O and M budget for 1995-96 comes to \$46.5 million. This is a reduction of \$1 million from the 1994-95 budget of \$47.5 million.

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Preparing this budget has been more than a budget reduction exercise. Not only is the budget \$1 million less than last year, it also includes \$1.4 million in forced growth expenditures arising from the department's capital program. As new money is not available to cover these expenditures, the department has...

AN HON. MEMBER:

(Microphone turned off)

Mr. Chairman, I apologize, I was trying to get through them quickly to allow Mr. Dent the opportunity to speak.

It also includes \$1.4 million in forced growth expenditures arising from the department's capital program. As new money is not available to cover these expenditures, the department has had to re-examine its operations across the board for new ways of reducing program expenditures. The budget amounts to a reorganization of the way the department delivers its programs with the least disruption in transportation services. In the airports program, for instance, the duties and responsibilities of operational positions have been redistributed to make better use of the department's labour

expenditures. In the highways program, the department aims to achieve economies by adjusting maintenance standards more in line with traffic demand.

Most of the forced growth expenditures are in the airports program. New airports have come on line in Lutsel K'e and Snare Lake. New or renovated air terminal buildings have opened in Igloodik, Pangiirtung, Paulatuk and Tuktoyaktuk. Runway extensions were completed at Coppermine and Pelly Bay and are now in operation. The Baker Lake training centre opened this year for the training of northern airport maintainers and managers. The budget allocated \$255,000 for the centre's ongoing operation. Community wharves also require periodic maintenance expenditures. Maintenance work is planned in 1995-96 for the community wharves at Baker Lake, Arviat, Sanikiluaq, Gjoa Haven, Chesterfield Inlet and Broughton Island.

Even though the Department of Transportation plans to reduce its total spending in 1995-96 by \$1 million, the budget does include \$90,000 for one new spending initiative: the department will introduce a public awareness and road safety program this year. Working with the schools and the RCMP, the department aims to improve seat belt and child restraint usage and to reduce the incidence of impaired driving on our roads and highways. Traffic safety is too important to rely on law enforcement measures alone. A public education component is necessary if we want to travel our highways in safety. Even when we have to reduce our spending, improved motor vehicle safety remains a worthwhile expenditure.

In summary, Mr. Chairman, I am asking for the Assembly's support for the Department of Transportation's 1995-96 proposed O and M budget. I think this budget makes the best fit possible between our financial circumstances and our need to maintain efficient transportation services.

CHAIRMAN (Mr. Lewis):

Thank you very much, Mr. Todd. Committee report for the Standing Committee on Finance.

Standing Committee On Finance Comments

MR. ANTOINE:

Mahsi, Mr. Chairman. The committee was generally pleased with the Department of Transportation's presentation.

Highway Maintenance

In order to focus efforts and resources on social programs, the government has had to take funds away from other areas. One of these areas was highway maintenance. Northern residents who travel the highways have come to expect a high level of maintenance. Some committee Members have heard concerns from constituents regarding the reduced level of highway maintenance.

Given the current financial picture, the committee understands that there must be a decrease in one program if another is to increase. However, the committee still expects the department to ensure a level of maintenance which will guarantee public safety on the roads. The highways of the Northwest Territories are heavily used, both by individuals travelling from community to community, or for the transportation of many of the goods consumed by northerners. Significant levels of maintenance are still necessary to maintain these roads in the difficult conditions of the north. Committee Members expect that the department will use its reduced resources wisely in order to keep NWT highways in a safe condition.

Flight Service Stations

The federal government has announced its intention to shut down most flight service stations in the north, replacing them with service from remote stations. Committee Members are very concerned about this proposal, particularly after serious problems with the automatic weather observation systems, AWOS, were noted in a trial run in November and December at Cambridge Bay. In the north, the weather conditions can be extreme and unpredictable, changing very quickly. Without someone on site to look outside and assess the weather, planes will have to commit to a landing without complete confidence in the safety of the weather conditions. In most communities, there isn't another airstrip nearby as back-up if the weather isn't what the pilot was expecting.

CHAIRMAN (Mr. Lewis):

That concludes the Standing Committee on Finance review. Mr. Todd, do you want to deal with this from your seat or do you need to bring in some help?

HON. JOHN TODD:

I think it would be prudent of me to ask for some assistance in the budget, Mr. Chairman.

CHAIRMAN (Mr. Lewis):

The Minister would like to bring in witnesses to the Chamber. Does the committee agree with that?

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SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Lewis):

Sergeant-at-Arms, would you like to conduct the people to the witness table, please?

I will ask Mr. Todd to introduce his witness for the record.

HON. JOHN TODD:

Thank you, Mr. Chairman. On my immediate right is Mr. Andrew Gamble, deputy minister of Transportation.

CHAIRMAN (Mr. Lewis):

Welcome, Mr. Gamble. General comments from Members on the Department of Transportation. Mrs. Marie-Jewell.

General Comments

MRS. MARIE-JEWELL:

Thank you, Mr. Chairman. Mr. Chairman, I don't really have any specific questions on the budget, but I would like to ask the Minister about devolution of highways across the western Arctic where there are highways. How many current highways are privatized with regard to operation and maintenance? Can the Minister indicate to me what highways are privatized and who are taking care of the contracts? Thank you.

CHAIRMAN (Mr. Lewis):

Thank you. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. I can go through this, if you want, or provide a copy to the honourable Member. Would you like me to go through it?

CHAIRMAN (Mr. Lewis):

Whatever would satisfy the Member. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

If he would provide a copy, so I can look at it, I would appreciate it.

CHAIRMAN (Mr. Lewis):

Okay, maybe you could do that, Mr. Todd.

HON. JOHN TODD:

I will, Mr. Chairman, at the end of this session. Thank you.

CHAIRMAN (Mr. Lewis):

How soon do you want this information, Mrs. Marie-Jewell?

MRS. MARIE-JEWELL:

I would actually like it as soon as possible in order to address the other questions I have with this budget.

CHAIRMAN (Mr. Lewis):

Maybe our people could get a copy of that right away so we can get on with it.

HON. JOHN TODD:

I'm sorry, I should have used the right term. When I said "end of session," I meant by the end of the day. I may be able to provide it right now, I believe we have it in the briefing note.

CHAIRMAN (Mr. Lewis):

Okay. We will provide that to the Member as soon as possible. General comments. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Mr. Chairman, it has been brought to my attention -- both last fall and more recently -- that the native band in Fort Smith has been attempting to acquire the responsibilities for maintenance of highways. Can the Minister tell me the status of this, whether or not

negotiations have started or whether his department has considered privatization of this particular highway?

CHAIRMAN (Mr. Lewis):

Thank you, Mrs. Marie-Jewell. Mr. Todd.

HON. JOHN TODD:

No, at this time there are no negotiations under way with respect to the privatization of that highway system. However, the policy of this department is if there is an interest by different groups, we are prepared to consider any proposals brought forward to us in terms of privatization of highway systems. At this time, I'm advised by Mr. Gamble that there are no discussions under way.

CHAIRMAN (Mr. Lewis):

For the record, I assume we mean privatization of maintenance of the highway system?

HON. JOHN TODD:

That's correct, Mr. Chairman, sorry.

CHAIRMAN (Mr. Lewis):

Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

I recall quite vividly a letter from Mr. Todd to the band signed off, I think, last October or November, indicating that he would send his officials to address this request. Now Mr. Todd is advising the House that no negotiations have taken place. Can I ask him why?

CHAIRMAN (Mr. Lewis):

Thank you, Mrs. Marie-Jewell. Mr. Todd.

HON. JOHN TODD:

I did write to the band, the Member is correct, sometime in October. We were reviewing the maintenance of the whole highway system. No decision at this time has been made as to what we intend to do. But, I want to assure the honourable Members that I announced in Fort Smith that we will move the issue of privatization of the highway up, in terms of priority. We will see if we can reach a satisfactory arrangement. Thank you.

CHAIRMAN (Mr. Lewis):

Thank you very much, Mr. Todd. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

I thank the Minister for his commitment on that. Mr. Chairman, I have a question about privatization of highway transportation infrastructure. I thank the Minister for the support he has given to the community of Fort Smith with an agreement for funding and for assisting the ongoing maintenance of an open winter road which connects Fort Smith with Fort Chipewyan through the park. It is shown in our budget books, under performance of third parties, that this government receives somewhere in the amount of \$165,000 for Alberta road maintenance. The Minister made a commitment to expend \$25,000 over the next five years. I want to advise the Minister that certainly the community appreciates that, but it appears that there hasn't been as much movement with regard to addressing the road through Wood Buffalo National Park to Alberta.

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I recognize that it is not within the jurisdiction of the territorial government and motions have been passed in this House, time and time again, relating to this, but the department doesn't appear to address it. It doesn't appear to be a priority at all. I certainly believe it is key to have transportation infrastructure in order to have any economic development in the territories.

I would like to ask the Minister whether his department is going to make any effort to address the extension of Highway 58 from Alberta to Peace Point into Fort Smith so there is a loop road, which will enhance tourism?

CHAIRMAN (Mr. Lewis):

Thank you, Mrs. Marie-Jewell. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. While I can appreciate the Member's comments and we have provided, on an annual basis, some fiscal support to the building of a winter road, the development of an all-weather road at this time, given the fiscal conditions we have and the fact that it is in Alberta, if I can be direct about it, isn't a priority at this time. The resources simply aren't there. If they were, we'd be only too happy to look at it.

We are providing, I believe, somewhere around \$20,000 to \$25,000 on an annual basis to assist in a winter road. We just don't have the fiscal resources at this time to see this as a priority. Thank you.

CHAIRMAN (Mr. Lewis):

Thank you, very much. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Thank you. I know the fiscal resources are limited and I don't think the intent of the extension of the highway was to be an all-weather road. I think it was to be considered as a winter road which would probably develop into an all-weather road. I want to advise the Minister, and I think I advised him before, that back in 1958 there was a winter road through the park which extended to Highway 58. So, there is a cut line there. It is a matter of department officials meeting with the Alberta government. I've met with the MLA from that area and we're working on making a joint submission to the federal government regarding this.

It is unfortunate that motions are passed in this House and are ignored by the Department of Transportation when the Minister, himself, always indicates that transportation infrastructure is necessary to economic development.

CHAIRMAN (Mr. Lewis):

Thank you, Mrs. Marie-Jewell. Mr. Todd.

HON. JOHN TODD:

No comment.

CHAIRMAN (Mr. Lewis):

General questions or comments. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Thank you, Mr. Chairman. I know the Minister doesn't want to comment because nothing is being done. Maybe he figures if we stay quiet about it, nothing will continue to be done. Can the Minister's department find some way to address the support for extension Highway 58 into Fort Smith? Thank you.

CHAIRMAN (Mr. Lewis):

Mr. Todd.

HON. JOHN TODD:

I have to be candid. I don't have the fiscal resources now or in the future to look at extending that highway, which is in Alberta. I am prepared to initiate discussions, as we did a few years ago, with the Alberta government to see if there is some way we could make an arrangement. It would be incorrect for me to say that we can take steps to look at that highway at this time because the fiscal resources simply aren't there. I have already cut back \$1 million on this budget because of budget restraints and requests from FMB. We have to do it, grudgingly. No one likes to cut. In fairness to the Member, I would have to say we don't have the existing resources to do that right now and I don't see it in the future, unless something changes. However, I am prepared to initiate discussions with Alberta to see what their position is and if they see some value in looking at some kind of joint initiative. That is as far as I would be prepared to go at this time. Thank you.

CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. General comments. I would like to tell Members that any one Member can't speak for more than 10 minutes in committee of the whole at any one time. But I should point out that we have had lots of individual questions, none of which have gone beyond a minute or two. I would like to give other Members a chance to make comments. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Thank you, Mr. Chairman. It appeared Members didn't want to make comments, but were ready to go line by line. That is why I didn't go into general comments. I need these questions answered for my constituents, Mr. Chairman.

Mr. Chairman, the Minister indicated that a few years ago his department was discussing this issue with the Alberta government. It appeared that these discussions have been placed by the wayside. The Minister stated that his budgets have had to face cuts, which we are all aware of. At the same time, we have to recognize that they certainly got a good increase from the Alberta government for road maintenance in Alberta.

Seeing that Fort Smith is right on the border, just within the territories, we have somewhat of an overlapping area with respect to highway maintenance. Since the motion has passed in the House, not only in this Legislative Assembly, but in the 11th Legislative Assembly, would the Minister

consider looking at further discussions with the Alberta government to look at the extension of this highway? If he can't, would he support the Highway 58 committee, which is moving towards the extension of Highway 58 into Fort Smith, and give the support from his department, whichever way he can, to address the extension of that particular highway?

CHAIRMAN (Mr. Lewis):

Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. As I said, I have to initiate some discussions with the Alberta government. My deputy minister has told me that there were discussions that took place over two years ago, but didn't go very far, unfortunately. We are prepared to raise the profile of this issue, but I have to qualify it by saying in fairness to the Member and her constituency, we don't have the capital dollars

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to do anything other than what we have in place. If circumstances change in the coming years, that is fine. We will initiate some discussions with the Alberta government and we will also work with the committee. We can do both. In fairness to the constituency, it is important to say that this is a very difficult time to look for additional dollars. Thank you.

CHAIRMAN (Mr. Lewis):

Before I recognize Mrs. Marie-Jewell, are there any other Members who would still like to make general comments? Mr. Patterson, Mr. Whitford, Mr. Antoine. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Mr. Whitford, did you want to make comments?

CHAIRMAN (Mr. Lewis):

(Microphone turned off)...Please go ahead.

MRS. MARIE-JEWELL:

Thank you, Mr. Chairman. Mr. Chairman, I understand what the Minister is saying. At the same time, there are a few areas, particularly in highway funds. First of all, the community is not asking for capital dollars to address that particular highway. They are asking for support to continue to look at

some way to extend Highway 58 into Fort Smith. They are asking for the political support, either on behalf of his department or on behalf of the Minister. I am telling the Minister that his department did do it a few years ago, but dropped it. It is still a priority for the community.

Secondly, there was a winter road there. So it is a cut-line now. If the political support was there, the community's next step would be to ask for support of the Minister of Education to allow for the heavy equipment training group to go in and do the road, as a winter project. Until we can get the political support from the Minister, it is difficult to achieve that in order to enhance any type of economic viability for the community. I just wanted to make those comments because of the lack of political support from this Minister with regard to that initiative. Thank you.

CHAIRMAN (Mr. Lewis):

Thank you, Mrs. Marie-Jewell. Next on my list is Mr. Patterson.

MR. PATTERSON:

Thank you, Mr. Chairman. I have a few short comments. I have made these before about this department, but I want to reiterate them and note further progress since we last reviewed this budget. I am delighted that the Minister has made significant steps to enhance the authority of staff in the region to deliver Transportation programs. He said he was going to do it. He made steps each year to do it and now we have not only a superintendent in the Baffin, but a very experienced and able long-term Government of the Northwest Territories public servant in Mr. Methuselah Kunuk, who spent many years working in Municipal and Community Affairs and is well-known in the region, who I believe is very well qualified to do this important job.

The other point I wish to commend the department on is of all the departments, I think Transportation stands out for the method by which it consults communities on its capital works. I am judging, as MLA for Iqaluit. The department spends a very modest \$50,000 each year moving rocks around the beach in Iqaluit. I am very grateful that that amount is in the budget for the coming fiscal year. It isn't a lot of money, but I think it is a measure of the approach that this department takes that even to spend this relatively small amount of money, we can count on every year not just a visit from marine facilities experts from the department but they come prepared to discuss options, they come

with diagrams, charts, materials in Inuktitut, they come well in advance, they make sure the MLA is involved, and now this process will be supported by the services of a bilingual superintendent in the region.

Mr. Chairman, I want to commend the Minister and his officials on doing it right on two counts: through consultation on projects and, secondly, moving authority out to the regions. Thank you, Mr. Chairman, for allowing me to make those comments.

I just have one other issue that I want to flag, and perhaps it will come up in the detailed comments, but I do want to say -- and I think the Minister is aware of my concern -- that although I believe the transfer of the Arctic A airports from MOT to our government is appropriate and timely, I do believe that the Minister has managed to capture what resources are in place. I do have some apprehension about the adequacy of funds for situations like that of Iqaluit where some of the critical services are contracted. I think if we didn't know that the funds were lean and mean in this contract earlier, we now know because the contractor has been forced to give up the contract and it's now being run by a bonding company.

Mr. Chairman, I just want to, for the record, reiterate my concern that the Government of the Northwest Territories is going to have to somehow do a better job at providing adequate monies to attract qualified employees for this important airport because the present contractor certainly didn't have the money to do the job properly. Now I have been informed that this has been taken into account in the negotiations and I have every hope that the situation will improve, however, it is a concern.

The capacity of that airport to continue to provide emergency response is also a concern, and I just want to note this as the one concern I have as we undertake a review of this department today, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Lewis):

Thank you, Mr. Patterson. Those were general comments, but one concern. Does the Minister want to respond to the concern?

HON. JOHN TODD:

Yes, the concern about the transfer of Arctic A airports and nine Arctic A airports is one that I was equally concerned with. We did make two

presentations to the Standing Committee on Finance as to the status of that. I suggest here that we've basically concluded the arrangements, we're just working out some of the finer points. I'm reasonably confident that the arrangement that has been made will be able to provide Iqaluit and the other airports across the system with the dollars that are required to provide the service. After all, safety and fast response time is absolutely key to whatever we do, particularly with air safety.

All I can do is assure the Member that we've given it our best effort. We're reasonably happy with the results of the fiscal negotiations and now we're just working out the details of the

transfer. We're optimistic that we can do a joint signing soon and the transfer should take place by July 1st. Thank you.

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CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. On the other side of the House I have Mr. Whitford and, after him, Mr. Antoine. Mr. Whitford.

MR. WHITFORD:

Thank you, Mr. Chairman. I'll be brief with my comments. They're going to probably be looked at as a pretty biased view and opinion. I was just going to say that overall the type of work that is being done by the staff of the Department of Transportation in all avenues of their work is certainly commendable. The ferry operation this past year, as far as I understand, has been remarkable. There haven't been any disruptions to speak of, and certainly the public in Yellowknife would have noticed.

We had a busy tourist season and of all of the comments that I've heard...I pay particular attention to the visitors coming over the highways because it has been a pet project of mine over the years. Having worked on it many, many years ago, it's nice to follow up on these things. That was one of the comments that was made; that the ferry operation, not only on the Mackenzie at Providence but also crossing the Liard, have had only good comments about them.

The road maintenance, initially, this fall was a bit of a problem, but as soon as it was pointed out what the travelling public were saying, it was rectified in very short order. I make a point of talking to We scan drivers because they use that road an awful lot and

they say it was greatly improved, particularly during snowstorms and things that take the highway people out at odd hours. So, they are to be commended for the maintenance of the highway.

The other area that I wanted to touch on -- Mr. Patterson already made note of it and the Minister responded...I talked to the Minister about the transfer of Arctic A airports because Yellowknife is one of the major ones. The thing I would be cautioning the Minister and the department about is that it's good that we're taking it over. I think that's what a lot of the people want to see. But given the fiscal situation in Ottawa right now I'd be very cautious not to accept any less than the cost of operation. Costs are going to escalate as years go on, and if we're stuck with airports, in general, not just the Yellowknife airport, it's the user who is going to suffer in the end by paying more.

We're already being hit with taxes in transportation that are going to up travel \$10 or \$15 a trip. I'll just caution the Minister that people I've talked to, the business community here have said that we must not take it just because it's being offered to us, but make sure that we cut the best deal with them and I'm sure the Minister will.

There's also talk of privatizing the airport once the takeover has taken place. Certainly in Yellowknife I think there has been some overtures already made towards setting up an airport authority that would give control of the airport from the government to a non-profit group that would run the airport as part of our community; the details, of course, to be worked out. We're making steps in the right direction.

I know it doesn't come under the territorial government's total jurisdiction, but the shutting down or else modernizing and computerizing of the meteorological services are something that is of concern with the people in the aviation industry. There is already probably too much with the cutting down of Coast Guards and weather stations, et cetera, that that used to be maintained by people rather than machinery. It's of concern to the aviation industry that the mechanical devices can't quite detect local conditions as well as a set of eyes and people actually going out and looking and relaying that information to the incoming planes.

It's extremely important here in the territories, because of our distances between communities, and the dependency that we have on the aviation industry. I don't think there's anywhere that can appreciate

airlines more than the Northwest Territories because of the large number of communities and the vast distances between them that are not connected by road or public water transportation. So air travel is very important to us, and every effort must be made to maintain safety in those areas.

I didn't get a copy of the Minister's opening remarks, but he did talk about some of the safety programs that are being undertaken by the department to ensure that the highways are kept safe. The seatbelt law to be enforced is certainly commendable because there have been many accidents where the lives of people who were wearing seatbelts were saved as a result of it. There have been a few accidents where people who were not wearing their seatbelts would have survived had they been wearing those belts. I think statistics show that it is worthwhile for a person to take the time to wear a seatbelt. I think we need to get the message across, not only slapping down hard on people by catching them but by an education program that will continue to make people aware of that responsibility is equally important to the program as is enforcement.

Certainly the impaired driving is one that needs to be beefed up a bit. There are people on the highways, and we all know it, who are drinking and travelling. You travel anywhere between here and the border and you're going to see beer bottles, tin cans and empty wine bottles, and I know that people don't stop and sit alongside the highway to drink those. They're being consumed in vehicles. I think it's an important part of highway safety that this continue to be done. I think that people know there are not only RCMP on the highway, but there is also the Department of Transportation's inspection vehicles and they're empowered to do all of the highway enforcement that RCMP are doing.

I'm not sure whether water safety comes under Transportation. That is an area that somebody has to take responsibility for; to inform people about safety in water. I know that we don't have as much enforcement there with the inspection for lifejackets and the enforcement of lifejackets in smaller boats. We end up every year losing one or two people who otherwise would have survived if they had their lifejackets on.

I may be off track a bit, Mr. Chairman, but transportation in the north includes that and I just thought I would just mention it.

With that, the department and the staff who provide safe highways, airports and ferry crossings are to be commended for a job well done. Thank you.

CHAIRMAN (Mr. Lewis):

Thank you, Mr. Whitford. Your 10 minutes are up. There were some general comments and

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concerns raised by the Member. Mr. Todd, do you have a response?

HON. JOHN TODD:

There would be one that I would want to respond to that's of importance, and that's with respect to the automated services as it relates to weather and airstrips. Our position is we've been discouraging the Department of Transport to carry on with this. I believe there's a lobby in southern Canada, in Edmonton, to say exactly the opposite.

CHAIRMAN (Mr. Lewis):

Thanks very much, Mr. Todd. Next on my list is Mr. Antoine. After that is Mr. Alloo. Is there anybody else who wants to speak so I can add them to my list? Ms. Mike and Mr. Ningark. Next is Mr. Antoine.

MR. ANTOINE:

Thank you, Mr. Chairman. On the Department of Transportation, I just have a few comments I want to make.

In this department's budget, the one concern I have is highway maintenance. In this proposed budget for highway maintenance operation, there is a major cutback. It's about \$1.58 million less than the 1994-95 revised forecast. The main estimates for 1995-96 are that much less and I have a major concern about it because of the impact this will have on the existing highway maintenance in the north. It's going to be quite drastic. I don't know if the department or the Minister have really anticipated the types of impacts it might have with that kind of drastic cut.

I also want to say that the total program summary for this department is down \$1.082 million from the 1994-95 revised forecast. So if I put those two together, the \$1.58 million in the highway maintenance, there is \$498,000 of the highway maintenance program that went elsewhere in the department. That's the way I

figured this. If the whole analysis is true, then that's what happened.

The way I see it, highway maintenance has been cut back to finance another part of this department. I have a problem with that because, first of all, the winter roads are presently going to be shut down on March 15th. I have winter roads into Nahanni Butte, Trout Lake and Jean Marie River. I travelled all those roads with my own vehicle prior to this session. These roads are a little rough and bumpy, but they're in good shape this year. Every community I went to has a major concern with the roads being shut down on March 15th.

I guess in an average year, March 15th would be okay to shut the winter road system down. But some years, we have a longer cold period and this winter road could be used longer than March 15th. The winter road system will be shut down two weeks from now. It's an investment. This government, over the years, has spent a lot of money developing this winter road system and every year we spend money opening it up. It's good for the community, it drops the cost of a lot of things which come to the community. This is the only way that the communities can get resupply of a lot of the necessities to run the communities, such as fuel for generators. These roads are a necessity. The cost would be enormous if we had to fly it all in, and it is enormous during the times when these winter roads are shut down.

I know the Minister told me about this. He sent messages out and there are signs posted along with the winter road system saying that on March 15th it will be shut down. I just wanted to indicate to the Minister and his department that there is a major concern out there about this and I'm requesting that, if possible, these roads remain open at the driver's risk as long as they can operate. Once they're open, it is very little to maintain. The only time you maintain it is if there is a winter storm, blowing snow or something like that. Other than that, it remains frozen for quite a long period of time.

My other concern is the level of standards of the highway if the maintenance system is going to drop by \$1.580 million in this current year. The classification of roads will be dropped by one or two points, perhaps, and I don't know what that means in terms of the level of maintenance that will be required. In the summertime, I know the highway system is very well kept in my area and the people who work on it take very good care of it. The highway department staff and the contract workers take pride in their work and

try to outdo each other in seeing who can maintain the road the best. I would like to thank the department for the past level of support that has been given to people who work in the maintenance programs in my constituency. A lot of people who travel through my constituency comment on the quality of the highway.

But if we are going to cut back the level of funding to this program, I'm concerned about the safety of the travellers on the road. There should be a level of standards for that highway. I don't know if that's going to go out the window. We've put an enormous amount of money into building these roads into a good system. If you get lax on the maintenance, the highway may deteriorate to the point where you may have to invest additional large sums of money in the future to build it up to its current level of excellence.

I'm told in the summer if it rains, they won't touch the roads. People who live by highways know that if it rains, the highways tend to get rough and, in some cases, there is something called the washboard effect. If it rains more and this system is not maintained, it will deteriorate into a very unsafe highway system. I mentioned earlier today that a lot of tourists travel through that part of the country and, through word of mouth, the word is out that we have an excellent highway system and excellent tourist facilities along the highway. We have developed this package to a good level. I don't know what deterioration in the level of highway maintenance will mean. I don't know if the department and the Minister have thought this through.

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We are trying to develop a sustainable economy there and elsewhere in the north, and the possible deterioration of the highway system might be detrimental to the economy and the safety of the people in the long run. I am very concerned about that. I don't really want to see it deteriorate any further.

A bridge was supposed to be built at Poplar River and I appreciate that the department is carrying on with that. As we know, a logging industry is developing in my area. They've done some logging in the Wrigley and Fort Liard areas and fairly large trucks are starting to roll down the highway now. If the highways are allowed to deteriorate and with heavy trucks pounding on it on a steady basis, there is a danger that we will have to invest huge sums of money in the future to keep the road the way it is.

The bridge at Poplar River is important too because presently there is a temporary bridge. We passed a motion in the fall to approve a new bridge at Poplar River as the old bridge was washed out in 1988 with the big rains we had. We have a temporary bridge right now and a new bridge will hopefully be built strong enough so it will maintain heavy loads in the future.

Another area I have a concern about are the Arctic A airports. The department is presently negotiating that the responsibility of the airport in Fort Simpson be turned over to this government. I am concerned about it. It is unknown what the level of services we will be experiencing in the future will be like. I have a concern about that, as well.

Finally, I made mention that plans should be under way to try to improve the highway from Fort Simpson to the airport. We should bring it up to a better level; perhaps even chip sealing it or paving it at some point in the future.

These are my general concerns about this department, Mr. Chairman. Mahsi.

CHAIRMAN (Mr. Lewis):

Thank you very much, Mr. Antoine. There were quite a few general comments, but several concerns too. I don't know if you can do anything about the weather, but maybe you would like to respond to the Member.

HON. JOHN TODD:

I will start with the easy ones first and that includes the airport. I want to assure Members, and I have tried to assure others, that I'm confident that the levels of base funding we've managed to negotiate will maintain the current level of services that are in place in the nine Arctic A airports which will be transferred, operationally, to us by July 1st. I think it's fair to say that. I think the department has done a bang-up job in making the appropriate arrangements with Transport Canada. I've said on a number of occasions, I don't know whether it's a combination of good management and some luck -- and I frankly don't care at this state of the game -- but it looks reasonably good. I want to assure the honourable Member about that.

When you're in this job and advised by those of greater stature that you have to make cuts, it's a very difficult, difficult task. What I have tried to do in the Department of Transportation is take a look at where

the overall money is and cut accordingly. I've said to the honourable Member and to others, that at the present time highway operations are somewhere around \$20 million, which is about 42 per cent of our current budget. Highway maintenance is \$12.1 million out of the \$19.8 million, that's 61 per cent which is allocated to highway maintenance. We allocate a high percentage of the overall budget for road maintenance; therefore, it has to take its appropriate cut, et cetera.

When we were looking at these OPPLAN cutbacks we tried to reflect the cuts accordingly. That's an area where there has been, along with other areas, significant cuts. Unfortunately, to some extent, Mr. Antoine is correct, he's taking a significant hit in his area.

It's also important to point out that the area of Fort Providence to Wrigley and the Liard Valley represents 35 per cent of the highway system, and in our estimates it only carries 10.7 per cent of the highway traffic. In an ideal world, we wouldn't have to make these cuts, but unfortunately we do. I don't think we've been unfair. What we've tried to do is cut as equitably as possible. I want to assure him that no monies went from the cuts that he took into other departments or into other regions.

CHAIRMAN (Mr. Lewis):

You said you would answer the easy ones first and you've done that, but it's past 6:00 pm so I'm going to have to rise and report progress.

MR. SPEAKER:

Item 21, report of committee of the whole. Mr. Lewis.

ITEM 21: REPORT OF COMMITTEE OF THE WHOLE

CHAIRMAN (Mr. Lewis):

Thank you, Mr. Speaker. Your committee has been considering Bill 1 and Committee Report 4-12(7) and would like to report progress. Mr. Speaker, I move that the report of the committee of the whole be concurred with.

MR. SPEAKER:

Thank you. Is there a seconder to the motion? Mr. Pudluk. Your motion is in order. To the motion.

AN HON. MEMBER:

Question.

MR. SPEAKER:

Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Item 22, third reading of bills. Mr. Clerk, orders of the day.

ITEM 23: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Speaker, there will be a meeting tomorrow morning at 9:00 of the Standing Committee on Finance, at 10:30 of the Ordinary Members' Caucus, and at 12:00 of the Management and Services Board. Orders of the day for Wednesday, March 1, 1995:

1. Prayer
 2. Ministers' Statements
 3. Members' Statements
 4. Returns to Oral Questions
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5. Recognition of Visitors in the Gallery
 6. Oral Questions
 7. Written Questions
 8. Returns to Written Questions
 9. Replies to Opening Address
 10. Petitions
 11. Reports of Standing and Special Committees
 12. Reports of Committees on the Review of Bills
 13. Tabling of Documents
 14. Notices of Motion
 15. Notices of Motions for First Reading of Bills
 16. Motions
 17. First Reading of Bills

18. Second Reading of Bills

19. Consideration in Committee of the Whole of Bills and Other Matters

- Bill 1, Appropriation Act, No. 2, 1995-96

- Committee Report 2-12(7), Report on the Legislative Action Paper on the Office of Ombudsman for the Northwest Territories

- Committee Report 3-12(7), Report on the Review of the Legislative Action Paper Proposing New Heritage Legislation for the Northwest Territories

- Committee Report 4-12(7), Report on the Review of the 1995-96 Main Estimates

20. Report of Committee of the Whole

21. Third Reading of Bills

- Bill 15, An Act to Amend the Elections Act

22. Orders of the Day

MR. SPEAKER:

This House stands adjourned until Wednesday, March 1, 1995, at 1:30 pm.

---ADJOURNMENT